Microfinance and Women Entrepreneurship: A Way to Women Empowerment

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Abstract:
Women-run small businesses are steadily growing over the period, helping in household incomes and growth of national economies too. However, women have to face a number of human, physical and social constraints that restrict their growth. Micro-Finance can play a very crucial role in this area and is actually playing a very positive role in this direction. A large number of Indian population is linked with Micro-Finance programs run by Govt. and NGO’s having different objectives related to empowerment.

In this paper we are basically focusing on the role of Micro-Finance in women entrepreneurship in Rajasthan which will automatically lead to women empowerment and finally to rural development. The cases from Rajasthan we are presenting shows the combination of micro entrepreneurship, social entrepreneurship and microfinance as a combined tool to reduce poverty, empower people, and contribute to sustainable development. This paper emphasizes on both Microfinance and women Entrepreneurship which would finally lead to rural development.

Study by Singh and Bhargava (2010) on Microfinance in Rajasthan presents the growth of Microfinance in Rajasthan and why it is important to study the role of Microfinance in this region. As per the report (Kumar & Kumar, 2011), Rajasthan constitutes 10% of the total geographical area with lot of variation in temperature and climate. Almost three quarter of the state population is under the rural cover. The total region has close to 5000 bank branches covering all the categories but number of customers served by a bank branch in the rural regions is quite inefficient. Around 16% of state population is below poverty line i.e. 1.12 crore of population is below poverty line. The poor in the rural areas are in continuous need of credit and seek to collect it from informal sources at very high rate of interest ranging from 24-60% annually. This makes it really important to strengthen the Micro-financial institutions in the region. There is a number of Self-Help-Groups (SHG) working in Rajasthan but they are not evenly spread throughout Rajasthan. The poorest of poor live in the regions like – Nagaur, Dholpur, Karauli and Jalor, which are estimated to be covering more than 30% of the population in these thickly populated regions. Micro-financial institutions are not growing in these regions and that makes it a curious case to study that whether these regions will be impacted by strengthening MFI or not.

Rajasthan Microfinance report 2011 had observed that there was a need for around INR 33,000 crore of finance in next 2-3 years. According to the report, over 90% of the households and even 100% in some regions are dependent on the private lenders and family/ friends. Only a very few have access to banking facilities and most are dependent on agriculture and allied activities. Many have left their day-to-day occupation because of shortage of finance.

Qualitative approach has been used for research. The data have been collected through interviews which held as structured and unstructured. Experience survey has been used. During our research we found that there is a great need to carry out more research on lending methods. Micro entrepreneurship needs to be more investigated because micro business with only traditional methods will not be very successful. There is a need of more innovation in production system and in business processes.

Key Words: Micro-Finance, Women Entrepreneurship, Self Help Groups, Women Empowerment.

Introduction:
What is Micro-Finance?

In India, the Task Force on Supportive Policy and Regulatory Framework for Micro-Finance (1999) has defined Micro-Finance as the “provision of thrift, credit and other financial services and
products of very small amount to the poor in rural, semi urban or urban areas for enabling them to raise their economic levels and improve living standards.” The Task Force however, has not indicated any special limit for the “small amount”. A report of RBI on micro-credit has suggested a limit of Rs.25000 per borrower, which could be suitably enhanced up to Rs.40000 for graduated borrowers, after registering a successful track record of 2 to 3 years. However, it has been observed that in rare special cases, especially for transport loans, the limit has gone up to Rs.1 lakh (BS Reporter, 2015).

What is Empowerment?

Empowerment is defined as “giving people more power through education, information, coaching, counselling and amplifying the possibilities to get or create a job or business through microcredit” (Joanna Rowlands, 1997). Empowerment is the surest way to achieve poverty alleviation. Empowerment also means to provide the basic needs to the poorest of the poor: Food, Water, Clothing, House, Communication Facility, Job as well as Medical Facilities. Empowerment reduces inequality.

(Figure: 1, the figure details the advantages of empowerment.)

Types of Empowerment

Literatures talk about various types of empowerment: (i) Personal Empowerment (access to education, personal liberty etc) (ii) Social Empowerment (social status, recognition, identity, leadership opportunity) (iii) Psychological Empowerment (self-esteem, self confidence, ability to aspire) (iv) Economic or Financial Empowerment (ownership of financial assets, income generation, savings and investments) (v) Political Empowerment (exercising political rights and privileges) (vi) Legal Empowerment (ability to enforce owns legal rights) etc.

Microfinance and women Empowerment

Microfinance has been mostly used as a developmental tool. It ensures access to financial services - savings, credit, insurance, money transfer etc. In India more than 4 out of 5 microfinance clients are women (Sankar dutta and vipin Sharma, 2010). It has been observed that many microfinance institutions in India are targeting only women. In most Indian families, since men control financial matters, women lack access to financial services and service providers like banks and insurance companies. Women have a heavy domestic work load. Most of them are illiterate. Rajasthan as per 2011 census has the lowest women literacy among all the Indian states and union territories. Women undertake activities which produce low returns. Because of their family upbringing, women hesitate to enforce their social, political and legal rights. Against this background, it has been found that provision of microfinance to women not only helps in eradication of extreme poverty in the family, it also promotes their financial self-sustainability, improves maternal health, assists in educating children in the family, reduces child mortality, promotes gender equality, increases general well-being and ensures their social and political empowerment. The figure 2 given below describes how microfinance helps in women empowerment.
Women Empowerment a way out of poverty

U.N. theme for the year 2014 is “Equality for women is progress for all,” and it echoes the belief that investing in women is one of the most effective ways to reduce poverty. Both empirical evidence and research indicate that investing in women pays both social and financial dividends. It is worthwhile to note that 70% of the world’s poor are women. 58% of unpaid workers are women. 64% of illiterate adults are women. Cervical cancer is the second most common type of cancer in women worldwide. Due to poor access to screening and treatment services, more than 90% of deaths occur in women living in low- and middle-income countries. Women invest 90% of their earnings into their families and communities. A study report of UNIDO (2003) titled “A path out of poverty—Developing rural women entrepreneurship” has concluded (i) People living in rural peripheries especially women, shoulder the burden of the world’s poverty. (ii) Rural development and gender equality are key elements of strategies to reduce poverty and create income and employment opportunities. (iii) A rural development programme should combine infrastructure development, education and health services, investment in agriculture, and the promotion of rural non-farm activities, in which women and rural population can engage. (iv) Gender equality is a prerequisite for poverty reduction because of the contribution women make and the role they play in society and in the economic well-being of the family and communities. Be it in rural or urban areas, be it in micro or medium and large enterprises,
women must be an integral part of development, not only as beneficiaries, but also as decision–makers and agents of change.

U.O.

Literature Review:

Status of Microfinance and Microfinance institutions in India

Inadequacy in access to formal finance has led to the growth of microfinance in India. The microfinance programs were initiated by NABARD in collaboration with Banks and Non-Government Organizations (NGOs) for population in unbanked area through Self Help Groups (SHGs) - Bank linkage program in 1992. The microfinance sector evolved with private sector participation leading to formation of Microfinance Institutions (MFIs). The MFIs accessed bulk funds from Banks and did on-lending to ultimate borrowers either through SHGs or through Joint Liability Groups (JLGs). Thus in India two different micro-financing models are operating, viz., (i) SHG-Bank linkage model and (ii) MFI (JLG) model. MFIs growth story can be grouped under three phases, the first phase till 2010 has been marked with high growth and transformation; the second phase (2010-13) was characterized as a phase of high volatility and consolidation while the third phase (2013-17) was initially marked again with high growth which gave rise to high volatility towards the end.

A knowledge report prepared by ASSOCHAM and EY titled, Evolving Landscape of Microfinance Institutions in India (July 2016) rightly concludes that, “In 2010, the sector was severely impacted by the Andhra Pradesh crisis and the state government promulgating an ordinance to curb the activities of microfinance companies. The crisis triggered a strong response from the RBI and in the years that followed the sector has registered a turnaround and evolved into a more mature market. The Indian Government and the RBI has created a regulatory environment for microfinance institutions to expand the financial inclusion program.”

RBI as a regulator has been supporting the sector through various policy initiatives and reposed faith in this sector by choosing MFIs for conversion into Small Finance Banks (SFBs). To remove the financial difficulties faced by micro and small business units, the Government of India has launched a scheme called Micro Unit Development and Refinance Agency (MUDRA) to fund the unfunded under the scheme of Pradhan Mantri Mudra Yojana (PMMY). MUDRA has been formed as a wholly owned subsidiary of SIDBI with authorized capital of Rs.1000 crore. MUDRA is extending finance at reasonable rate to MFIs that lend to small business, retailers, SHGs and individuals. As per CARE Ratings report on Microfinance Sector: Evaluation and Impact of Demonetization (2017), MFI sector was adversely impacted by the demonetization because of its high dependence on cash transactions, especially with drastic decline in the recovery rates in the short run immediately after demonetization, but later on things improved slowly.

According to Bharat Microfinance Report (2016), at present MFIs are operating in 29 States, 4 Union Territories and 588 districts in India. According to a report, 166 MFIs with 12,221 employees have reached out to 39 million clients with an outstanding loan portfolio of Rs63,853 crore. The average loan outstanding per borrower stood at Rs 11,425 and 94% of loans were used for income generation purposes.

Southern region continues to have the highest share of both outreach and loans outstanding, followed by East. However growth rates are higher in the North-eastern and Central regions. Women borrowers constitute 97% of the total clientele of MFIs, SC/ST borrowers constitute 30% and minorities 27%.

The report of the Status of Microfinance in India (2016-17) published by NABARD states that the SHG-Bank Linkage Programme which is the largest microfinance programme in the world has touched 10 crore households through more than 85 lakhs SHGs with deposits of about Rs.16114 crore and annual loan off take of Rs.38, 800 crore and loan outstanding of nearly 61,600 crore. The aggregate NPA of SHG loans remain a concern though it has declined marginally by 0.59% from 7.4% in 2014-15 to 6.4% in 2015-16. Quality of SHGs, their performance has emerged as one of the major issues affecting the movement. The latest “Micrometer” published by Microfinance Institutions
Network (August 2017) has reported that at the end of March, 2017 the microfinance loan outstanding by various institutions were as follows:

### Microfinance Loan Outstanding by various Institutions as at end March, 2017

<table>
<thead>
<tr>
<th>Institutions</th>
<th>Loan Outstanding in Rs. Crore</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank-SHGs</td>
<td>61,580</td>
<td>36%</td>
</tr>
<tr>
<td>Banks</td>
<td>40,993</td>
<td>24%</td>
</tr>
<tr>
<td>NBFC-MFIs</td>
<td>30,349</td>
<td>18%</td>
</tr>
<tr>
<td>SFBs</td>
<td>29,030</td>
<td>17%</td>
</tr>
<tr>
<td>NBFCs</td>
<td>5,926</td>
<td>4%</td>
</tr>
<tr>
<td>Non-Profit Organizations</td>
<td>901</td>
<td>1%</td>
</tr>
</tbody>
</table>

(Table 1, Source: Micrometer August, 2017)

**PWC** in its report on “**Shifting Trends in the Microfinance Ecosystem**” (November 2016) has opined that, “To maintain growth and reduce costs while overcoming the challenges, MFIs will have to develop a holistic strategy based on several external and internal factors”.

According to the Bharat Microfinance Report (2016), still there is a need to enhance the coverage of microfinance services to northern and eastern part of the country. There is a huge unmet demand which needs to be catered. Despite the challenges it faces, Microfinance is considered a solution to the social problems existing in the country. It is believed to empower women and rural poor through its financial services and assistance.

It is rightly said by Pandit Jawaharlal Nehru, “You can tell the condition of a nation by looking at the status of its women.”

The empowerment of women, reduction in poverty and enhancement in entrepreneurial activities together, result in rural development. Rural development is an umbrella term, used to highlight the development of rural areas in all aspects, ranging from agriculture to non-agricultural sectors and from human population to livestock. Since Microfinance affects all these aspects, it is bound to impact Rural Development. Hence, studies related to impact of microfinance on rural development will be reviewed.
Fatema (2017) emphasized on the role of entrepreneurship for sustainable growth. She explored the opportunities which give boost to people to be an entrepreneur. According to her there are many opportunities provided by the Govt., socio-cultural and natural environment which can be explored for better living. She also emphasized on proper utilization of opportunities.

Omwono (2016) explained that microfinance significantly affects entrepreneurship development. He emphasized on the role of business practices and skills which would help entrepreneurs in avoiding business failure. Microfinance institutions must train them in good business management practices so that they could very well manage their business. The study indicated the significant effect of micro lending on entrepreneurial development.

Shamsul & Norashidah (2017) stated that the role of women entrepreneurship is very important for any economy especially the developing ones. It helps in economic growth and development of the nation. The author examined the relationship between individual factors (training, skills, experience and entrepreneurial features) and women entrepreneurial success. The author explained some factors to improve the rate of success among women entrepreneurs. The factors are mobility, networking, human capital and monetary aid. By contributing and focusing on these factors the growth of their businesses can be increased.

Sharma et al. outlines the relationship between microfinance and women entrepreneurship. Women are not treated equal to men and gender inequality is prevalent in India. Microfinance is an efficient tool in improving the condition of underprivileged women. Literacy rate among women in India is quite low and poverty prevails. Also, women are considered to be risk averse and lacking in entrepreneurial skills. Only 32% of women in India are financially independent and therefore, the majority lacks control over resources and are not allowed to participate in decision making. Women are targeted by MFI's as women’s income benefits their families as well. Problems faced by women in Indian society are male dominance, underestimation of entrepreneurial skills, lack of control over resources, dependence on males, low mobility and lack of exposure. Women are encouraged to participate in decision making process, are given better educational facilities, financial assistance and training, counseling and mentoring and receive support from Government agencies. Grievance handling cell at gram panchayat level must be set up to solve problems of rural women.

Women have responsibilities of family, home and children, so, venturing out of home is difficult without knowledge and experience. MFI's and SHG's support women entrepreneurs by providing training and counseling to them apart from financial support. Women are also entering in professions like trade, industry and engineering these days. Contribution of women entrepreneurs in nation’s growth (manufacturing, employment and international trade) is highlighted in the study as well as the relationship between SHGs and women entrepreneurship is also exemplified. Apart from issues such as Impact of globalization, Credit, Domestic violence, social security, societal acknowledgement marketing problem, problems related to technology, infrastructure, regulatory regime, cluster development, access to information, delayed payments and lack of skills prevailing in society, women entrepreneurship is important to empower women.

Rajasekaran and Sindhu (2013) studied entrepreneurship and small businesses with reference to women SHGs. Women entrepreneurship contribute towards economic growth, employment generation and poverty alleviation. It is relevant to know the socio-economic background of women SHGs, earning capacity and their knowledge. Microfinance helps to provide financial services to the women entrepreneurs. Most of the women, in India, have been living in extreme poverty and have been socially, culturally and economically exploited over the years. By initiating a business venture, women become economically independent as they gain control over resources and gain respect and recognition in the society.

**Research Objectives:**
- To study the role of micro-finance in women empowerment.
- How micro entrepreneurship helps in reducing poverty and sustainable development.

**Research Methodology:**
Qualitative approach has been used for research. Experience survey has been used. The data have been collected through interviews which held as structured and unstructured.

CASE STUDIES RAJASTHAN:

1) Entrepreneurial Endeavors

Radha is 48 and a cheerful, confident and intelligent woman. She is married and having two sons and two daughters. She was born into a family that could provide for her basic needs. She is the youngest of seven children; two brothers and five sisters. Radha’s father Magaji had 16 bigha of land. He was a good businessman. He used to sell maize, sugarcane, rice, ginger, cereals and chilies to contractors from Ahmadabad. He was having diesel pump during the dry seasons and was able to farm for nearly eight months. For the rest of the months he used to work as a laborer.

Radha is illiterate while her brothers went to school for a couple of years. She worked at home taking care of 4 cows, 10 buffalos and 5 oxen in her family. Her marriage was arranged when she was 16. Her husband is a mild mannered man named Devilal. There was no dowry system in her village; rather her husband’s family gave her gifts, so she received 110 Gms of silver and 350 Rupees. Radha’s in-laws treated her well and after two years she gave birth to her first son, Kamlesh.

After five years, Devilal’s brother got married and because of family issues Radha and Devilal had to leave home. While leaving they were given 10 bigha of land, 50 goats and 4 oxen but they were not having water pump on their land so they were able to grow food only for the family during the rainy season. So they sold their goats for 750 Rupees each to meet the family ends. They started working as laborers on others land. By the time Radha gave birth to two children. Time was tough for them and they could afford only two times of meals a day.

In 2003, a PEDO representative visited Radha’s village and an SHG group was formed and Radha gave her first 20 Rupees to the group savings. In first year Radha didn’t take any loan because she was scared but next year she was confident and took 3,000 Rupees to buy an ox. Her husband Devilal was working as a basket weaver in the village and was earning 60 Rupees per day and Radha continued to work as a laborer. But they were not satisfied with this work because of owner’s humiliation and very small money they were getting. So, they quit the job and took a loan of 10,000 Rupees form SHG and opened a small provisional store. Radha continued to take loan for shop, to buy buffalo’s etc. and met all her payments on time. Devilal also took training from PEDO camp about how to sew and after discussing with Radha they again took a loan from SHG to buy a sewing machine.

In 2012, Radha took the biggest loan amount for 30,000 Rupees to buy an auto rickshaw. Her husband stopped weaving baskets and began driving the rickshaw. Finally, having the entrepreneurial spirit in them they started selling buffalo’s milk at 16 Rupees per liter, 5 Liters a day. Now Radha is managing both the provisional store and also the sewing machine work.

Radha is happy after having different sources of income. Her saving as of now is 5000 Rupees with the debt from SHG 1500 and 16,500 Rs. of debt from bank which she is paying 1000 Rupees monthly. Now her son Kamlesh is 22 and is working as a tailor in the village and her wife is a SHG member and in 2014 they took a loan of Rs. 20,000 to start a band that Kamlesh plays at weddings and other functions. Radha’s eldest daughter, Sumitra, is twenty and after doing her graduation has gone for police training in Jodhpur. Her second son Chandulal is in his first year of university at Mohanlal Sukhadia University in Dungarpur and finally her youngest daughter Sangita is 16 years old and is in 8th standard.

Radha and Devilal are thankful to SHG which changed their life and are very ambitious for their future endeavors. In Radha’s wording, ‘now I took important decisions in the family. My husband and my in-laws respect me more and give my example to others. I can go to market and bargain and purchase goods. My neighbors also consult me and my husband while taking decision and it feels so good. Radha and Devilal also advising villagers to have a bore well in the village for better farming
and suggesting other progressive business ideas. Their talk is in process and in future they may have a joint venture in their village.

Impact of Microfinance

Radha is the example of courage, hard work and positive thinking. Being an illiterate woman she presented a very good example of women empowerment. She was from a financially sound family before marriage but didn’t get the same situation after marriage. She joined SHG and her life transformed. With her strong will power and patience she started small businesses with the help of money she took from SHG and bank loan and also helped her husband to grow in life. She is now financially secure and planning to make some joint venture with other villagers. She gained the faith, respect and attention of her husband and family. She is now in a position to take right decisions confidently regarding their children’s education, health and marriage. She knows her rights and responsibilities and always encourages others too. Very precisely Radha is one who really has been empowered after getting the benefits of microfinance.

2) From Poverty to Prosperity

Champa is illiterate and a 45 year old lady. She lives in Mada village with her husband, one son and one daughter who dropped out of school at 10th and 5th standard respectively. She is illiterate but can sign her name and can count some numbers. Before being the member of SHG their condition was not good. They were not able get two times of meal a day properly. In the name of assets they were having one goat, one ox and a mud house. Her husband forced to work at other states and earned approx. Rs. 1000 a month which was not sufficient amount to survive. So they used to take loan from local money lenders at 10% rate of interest. Because of all these sufferings Champa joined self help group in 2000. The very first loan of 5000 Rupees she took for seeds. Then in 2002, she took 2000 Rupees as loan to buy a second ox. In next year she took loan for 4000 Rupees for her appendix operation and repayed the entire amount. In 2004 they decided to start a fishing business so Champa again took a loan amount 15,000 Rupees and purchased a boat. And they started catching fishes and selling the fishes each day and started earning handsomely. They also hire two employees from the village to work on the boat and paying 60 Rupees per day. Their net profit was 160 Rupees per day. Her current saving is 2500 Rupees and total debt is 6000 Rupees which she is repaying timely. This is how their total income increased after joining self help group.

Impact of Microfinance

Now Champa also enjoys a good social standing in her village, she is more confident. Even though she is illiterate but she does small calculations. She also started giving loans to other woman in the village and other self help groups are formed inspired by Champa’s story. She is now financially secured and out of the net of money lenders. She has started getting more respect from villagers and enjoys a special place in social gatherings. She is now more politically aware, attends meetings and talk to sarpanch and other officials about their problems and needs. She is very good in taking quick business decisions and also helps other village women to take business decisions. All this has increased her confidence very much and inspired her to help others.

3) Hard work always pays

Kachari Paliya is a highly lovable person in her village, and is known by all as "Auntie". However, her life wasn't always so pleasant. Kachari is in her late 40's and has five brothers. When she was sixteen years old, she was married to a man named Gautam from a nearby village. The marriage was horrible from the start. Gautam used to drink hard and abuse Kachari both physically and emotionally. Turning to Gautam's parents for help proved fruitless. After two years of abuse Kachari couldn't take it any longer. She packed up her things and ran away to her eldest brother's house for help. Luckily, her brother's family took Kachari in and she has been living there with his wife and five children ever since.

Life was a struggle for Kachari and her brother's family during initial years. Kachari is not literate. She earned around 500 Rupees a month from working on farms and also from making and selling thick rope weavings used on bed frames. To make both ends meet, her brother was forced to migrate to
Ahmadabad where he worked in house building (construction) work. Kachari often turned to moneylenders for help and was charged 5% interest a month on whatever money she borrowed. However, the family had adequate food to eat as Kachari's brother owned 1 hector of land.

Socially, Kachari was a complete outcast in the community beyond her immediate family. Running away from her marriage, even when considering how terrible it was, was still a social taboo.

In 2007, a field representative from PEDO visited Kachari and spoke with her about the opportunities of joining a Self-Help Group (SHG). Initially Kachari was afraid to take such a giant step. Every rupee she earned was precious. However, after four visits of the field representative, Kachari was finally motivated to join her group, Sarputa Fala and she gave 25 Rupees that she needed to contribute at the first SHG meeting.

In 2008, Kachari took her first loan for 1000 Rupees to purchase a sewing machine. With this asset, she was able to start sewing clothes for income within the village. The next two years Kachari took loans for pesticides and seeds for the farm. During this time, she also set up a small shop next to the family home. The shop was named "Auntie's Shop" and she took additional loans in 2012 and 2013 to buy grocery supplies to stock it. In 2014, Kachari combined a loan for Rs.15,000 with her savings in order to build a new space for her shop with bricks. Auntie's shop became an established staple within the community and Kachari made an average profit of 1,000 Rupees a month from sewing and selling groceries like shampoo, soap, sugar and tea.

Today, Kachari has a good image within both her brother's family and the larger community. Kachari’s brother no longer needs to commute to Ahmadabad and his entire family trust and respects her for all she has accomplished. She continues to participate in her SHG and even serves as the group's treasurer.

Kachari is happy and contented with her current position in life and says she never wants to get married again. Although her tailor shop and grocery shop continue to do well, Kachari believes that whatever she earns should be spent because she has no children to carry her legacy forward. Even so, Kachari has managed to pay off all her debts and her current savings is total 2700 Rupees.

Impact of Microfinance

Kachari saw many ups and downs in her life. Before marriage her condition was not good. Even after marriage it got worse such that she had to leave her husband. It shows how powerful lady she was that she could took this step thinking about her life. She never married again. Leaving with her brother she stood on her own feet. She joined SHG and after taking loans she started small businesses. She was actually helping her brother. It shows how independent she was. She was leaving with self respect. Being a business minded lady she also encouraged her brother to do business. According to her SHG transformed her life and gave her a way of living. Everyone in the village respects her very much.

4) God Help Those Who Help Themselves

Meena (seen in the photo with the researcher) is 38 and belongs to a jatav (OBC) category. She is simple, sober but a very intelligent lady. In her family she is living with her husband and three children; two girls and one boy and they all are going to school.

Before marriage she belonged to a BPL family. Her father got paralyzed when she was 12 year old. So her mother with four kids worked as a laborer to take care of her family. All this situations make Meena stronger. She quit the school when she was in 3rd standard because of the poor family condition. She started helping her mother in the daily chores. As the time passed by her two brothers got separated and went to city. They had no contacts with them. Because of this shock her father passed away. And finally at the age of 18 she got married to Suresh who was very strict by nature.

In her in-law’s house she got the same situation. Even the behavior of in-laws was not good. They didn’t treat her well. When she gave birth to first two girls, her in-laws used to call her ‘Manhoos’ because of not having a boy child. In her family, it was her husband and father-in-law who were the bread earners. Because of the rigid nature of family members she didn’t go outside, she was not even permitted to talk to other village women. She used to remain in parda even at home. Her condition was very miserable.
Meena used to see village ladies making meetings of self help group and saving and taking loans. Then one day her father-in-law got ill and expired. Now her husband was the only bread earner in the family but because of the drinking habit of her husband it was very difficult for them to survive. So finally she decided to join a self help group. But initially she didn’t tell this at her home and was doing small saving of 10 Rupees per week. After six months she took a loan of 400 Rupees for her mother-in-laws illness. After this incident her mother-in-law started appreciating her and encouraged her. This improved Meena’s confidence. Then she started openly joining self help group meetings.

Then after some time she took a loan of 4000 Rupees to open a grocery shop for her husband who was on bed since last five years. From this shop she was getting profit of Rs. 1000 every month. Then under DPIP she purchased two buffalos which she purchased at the rate of 17000 Rupees each from Karnal. She sold one of the buffalo at 32000 Rupees because it was in good health and milk production was good. She invested this amount in her shop and started gaining from her shop.

Impact of Microfinance

Meena’s condition is much better after getting financial assistance and her husband also started respecting her. She took all the important decisions in the family. She also encouraged other village women’s and opened three new self help groups in the village. She also holds the post of cashier in the Saheli Sangathan. She herself said, ‘before joining self help group she was not even getting a rupee to spend and now she is managing the home as well as the cluster account’. She is very confident and happy to feel this. She has now more authoritative power on her husband and kids. Her family also admires her because of this action of joining a self help group. As of now her savings are 4500 Rupees and a debt of Rs. 3000 which she is paying on time. Her children are going to school and she is now planning to move on with a joint venture with other village women and is very optimistic about it. She freely goes out although initially she couldn’t. She has proved herself in front of her family as well as villagers.

5) Struggling Hajana

It took four visits before we were able to find Hajana Sardara Salat at home. She is a woman who is always on the move. At 60 years, she looks much younger, so much so that she brings out her voter registration card to prove her age. She is a no nonsense woman who is not afraid to speak her mind. Upon my visit, I saw six young grandchildren have surrounded her as she was sorting wheat grains and chasing away wandering cocks with a broom.

Hajana was born in Ghooghra, which is a one-hour bus ride from her current village of Indrakhet. She is the second oldest of four sisters. The conditions under which the family lived were very poor. Hajana recalls often eating only half a chapatti as her meal. Her parents often went hungry in order to feed their children. Her mother, Hudi, gave birth to two boys but both were died shortly after their birth. The family is of a caste that traditionally does stone work. Her father, Kalu, used to made hand-operated flourmills and sold them in the village. He also owned five bigha of land where he grew daal, teel, and rice. However, they had no well for water so the farming was only sustainable during the rainy season. Neither Hajana nor her sisters ever attended school.

When Hajana was 20, she got married to a man named Sardara. Hajana's uncle arranged the marriage. Sardara was the son of her uncle’s brother-in-law. Hajana's family did not have to pay dowry for her marriage and instead Hajana was given 500 Rupees by her husband's family.

After marriage, Hajana moved to her husband's family. There her situation was very grim. For some reason, Hajana's in-laws did not like her. They would often mistreat her and keep her away from having proper food and clothes. Sardara also developed a drinking problem during those early years. He and Hajana would often fight over his drinking habit. After ten years of suffering with her in-laws, Hajana finally persuaded her husband to move out into their own home. A few years before, Hajana's father had taken a loan from a moneylender and bought two bigha of land in the village of Indrakhet. He built a house and lived there to farm during the rainy season. After learning of Hajana's troubled life with her in-laws, he told Hajana and Sardara to move to the house in Indrakhet.

Hajana gave birth to her daughter, Balu, in the first year of marriage. After Balu, the rest of her children were born at five-year intervals. Next her son Natu was born followed by another son,
Javaiya, and then at last a girl was born who she named Rekha. None of the children had formal schooling and Hajana admits, "They could not give that much importance for their studies when they were young." Today, all of her children are married and their children do attend school. Natu lives in a house right next door to Hajana and Javaiya, his wife and three children live with Hajana. Hajana's two daughters live elsewhere in their husbands' villages.

At their new home in Indrakhet, the family owned 5 goats, 4 hens and 3 cocks. Her husband, like her father, made hand-operated flourmills and sold them. He earned a profit of 30 rupees on each mill and could make and sell 50 mills total per year. On many occasions, Sardara needed to take loans from moneylenders in order to buy the stone for his flourmills. He would often put up Hajana's jewellery as collateral. However, over the years Sardara began selling fewer and fewer mills. The demand for his hand-operated mills was declining as more and more people preferred automated flourmills. Clearly, it was time for Sardara to think about a new profession.

In late 1995, Gauri Ben, an employee at the Deval PEDO Field Centre, began visiting Hajana's village to form a new Self-Help Group (SHG). The women of Indrakhet were initially very skeptical, including Hajana. "How could I give the money of my hard labour," recalled Hajana. To show the women how the SHGs meeting were held and what it were all about, Gauri Ben and other employees from the Deval Field Centre brought two mini-buses full of women from Indrakhet to a neighboring villages' SHG meeting. Hajana was one of the women in attendance that day and viewed joining a SHG as a good business opportunity. "Why would I join the group if I didn't have profit," Hajana said bluntly, "I only joined the group because of the profit."

Around this time, a friend of Sardara's in Dungarpur suggested him some business of starting buying items like umbrellas and blankets in bulk from the cities and then sell them for profit in the villages. It was a decent idea, but Sardara and Hajana needed a great deal of money upfront to purchase all these products. Hajana went to her SHG and asked for a loan of 5000 Rupees for this purpose. At first the other members were hesitant to lend to Hajana because they didn't think she would make enough money to pay back her debt. They eventually granted the loan, but on the condition that she could not take another one until all 5000 Rupees were paid back to the group. With this money, Sardara took a bus to Jodhpur and bought umbrellas for 50 Rupees each. He came back to Indrakhet and went from village to village selling the umbrellas at around 80 Rupees each. Already, their new business idea was working.

It took Hajana four years to fully payback that first loan, so it wasn't until 2000 when she was able to take her second loan for 8000 Rupees to buy grass from Gujarat that her husband resold in the villages as buffalo food. Over the next few years, Hajana continued to take loans out every other year for buying umbrellas and grass. She also decided to expand her product line and began selling blankets, carpets and even sarees. Once a year, Sardara visits Surat in Gujarat where the cloth mills are located and buys 4,000-5,000 Rupees worth of sarees. Hajana has never had a problem repaying any of her debts since the first loan.

Impact of Microfinance

Association with a self help group completely transformed Hajana’s life. She became more confident to take financial decisions in the family. Even in terms of business she was very good. She took decision to increase her product line and started earning profit and was able to repay loan from SHG on time. It was because of microfinance only that her financial condition became better and better day by day. She also helped her husband to continue his business and supported him in every condition. Her husband now respects her and consults her before taking any financial or business related decision. Now she is having good reputation in the village. She is well aware of value of education and providing education to her grand children. After joining SHG her personality shines and she feels more empowered.
Analysis and Interpretations of Case Studies:

These case studies relate to women who are the poorest of the poor in the state of Rajasthan. On the whole, 10 case studies have been used for this research paper from Rajasthan. Rajasthan has been chosen for this research work as it is known for its social stigmas like “Sati Pratha” as well as has the lowest level of female literacy among all the states and union territories in India as per 2011 census. The state is known for their male dominated society. Women in most families are subject to hardships, remain within the four walls of their house and do not take part in the decision making process in the family. These case studies provide background, living environment and detailed experience of respondents with micro-finance and the way they benefited from this experience. In a way these case studies can be taken as an experience survey.

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Village</th>
<th>District</th>
<th>Age</th>
<th>Religion</th>
<th>Cast e</th>
<th>Marital status</th>
<th>No. of children</th>
<th>Occupation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Radha</td>
<td>Mada</td>
<td>Dungarpur</td>
<td>48</td>
<td>Hindu</td>
<td>OBC</td>
<td>Married</td>
<td>4</td>
<td>Shop, Stitching &amp; Auto</td>
</tr>
<tr>
<td>2</td>
<td>Champa</td>
<td>Mada</td>
<td>Dungarpur</td>
<td>45</td>
<td>Hindu</td>
<td>SC</td>
<td>Married</td>
<td>2</td>
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<tr>
<td>3</td>
<td>Kachari</td>
<td>Nareli</td>
<td>Dangurpur</td>
<td>45</td>
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<td>SC</td>
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<tr>
<td>4</td>
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<td>60</td>
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<td>38</td>
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<td>OBC</td>
<td>Married</td>
<td>3</td>
<td>Shop</td>
</tr>
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</table>

Analysis and interpretation of these case studies reveal the followings:-

(i) Micro-credit benefits poorest of the poor. It serves those who are overlooked in the society.
(ii) In a group the poor can have access to bank credit.
(iii) Women are generally conservative in their attitude and do not ordinarily expose themselves to excess risk. Normally they do not default on their loans.
(iv) Micro-credit often leads to women empowerment (individual empowerment, social empowerment, psychological empowerment, economic empowerment, legal empowerment and political empowerment).
(v) Women empowerment is the surest way to achieve poverty alleviation.
(vi) Women usually invest most part of their earnings for welfare of their families and communities, while their husbands waste money in drinking and gambling.
(vii) Investing in women is thus one of the most effective ways to reduce poverty.
(viii) Microfinance helps in capacity building and capability development of women.
(ix) Micro-finance has been proved to be a powerful instrument for achieving “financial inclusion” and rural development.
(x) Micro-finance ensures (new) job creation.
(xi) More than developing aspiration for themselves, women mostly develop aspiration for their children and family.
(xii) It improves self confidence and self esteem of women beneficiaries.
(xiii) Since micro credit is available for life cycle needs (childbirth, wedding, education, house building, widowhood, funeral etc), personal emergencies (sickness, injury, unemployment, theft, harassment, death etc) and disasters (fire, flood etc) etc, it
provides confidence to manage risks and reduce stress.

(xiv) It encourages development of entrepreneurship.

(xv) Women are better change managers compared to their male counterparts. Marriage provides an important transition in every woman’s life. It brings a drastic change in their living and operating environment when they move from their parental home to in-laws house. Having managed this change, they don’t become afraid of any other change in life.

Conclusion:

Thus we can conclude that with proper guidance and awareness regarding microfinance poor people can be self sustained and empowered. There is a need to motivate them about new and small ventures keeping in mind the local area. Poor women, generally, more sensitive for their business, and work hard and they have no other option to survive therefore they always think about their business and try to do something new if they have opportunity. Implementing entrepreneurial ideas in microenterprise bring more profit and productive result. Therefore, combination of microfinance and entrepreneurship is a very effective development tool that can alleviate poverty and empower women with more speed.

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