



Women Empowerment through Micro Finance: A Boon for Development

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ABSTRACT

Any economy would develop when planning would be benefited to all caste and creed with out any sort of gender differentiation. Under the drip down theory in the planning process it was expected that women will equally benefit along with men. This has been belied by actual development. The ninth plan document recognizes that inspire of development measures and constitutional legal guarantees- women have lagged behind in almost all sectors.

In early 1990's the problem of women workers in unorganized sectors aggravated. Women workers in unorganized sector exploited by the owner with the intent to have contemptible labour availability. Their valuer contribution is consider as small or ignored task and remains nonmonetised.

Keywords: Micro Finance, financial instrument, women empowerment.

Introduction:

Indian economy expands its own horizon of development with all the segment of economy. In India still 35% lives below poverty line and among them 57% lives in rural area. India is based on agriculture and so that the contribution of rural segment is most important. In economy to improve GDP it is essential that all the gender gives their contribution. Among total population 48% woman population while 52% of male population, but contribution of female sector to the GDP is negligible. Traditional concept of remain at house and perform of household duty remains. In India now this idea has been changes a lot and woman tried to be more self reliant and self sustancial

Need of Micro finance in India:

Finance is spine code for development of any country and as India depending on agriculture base production dependence on rural segment of economy is the most. Banking sector provide its services to the larger segment of India but still to reach to the lower segment for their upliftment is still missing and so need such system which is essentially for development of poor class. "To help poor people out of poverty" aim of the MFS.

Basically rural segment is interested in reasonable credit available to them and so they selected "LOCAL LANDLORD" who gives them credit with out any documentation and easy when needed. Initially they feel it's so easy to have cash without any hurdles but when the landlords makes collection it is really so difficult for them to repay. An analysis of 28 studies of informal money lending rates in 14 countries in Asia, Latin America and Africa concluded that 76% of moneylender rates exceed 10% per month, including 22% that exceeded 100% per month. Moneylenders usually charge higher rates to poorer borrowers than to less poor ones.

MFIs in India:

After 9/11 tragic event world gravity forces need the strong economy for sustancial development and in this India and China got attention. To improve GDP is become essential for Indian economy for survival purpose and in this case the best answer would be the MFIs which serve the purpose with the best intention. "SEWA" in Gujarat, SHARE and BASIX in Southern India have convinced the public at mass that with such institution real services reaches to the Indian economy for upliftment and for betterment. NABARD's SHG- Bank linkage program also provides the "largest microfinance network in the world". Andhra Pradesh Cm shri Chndrababu Naidu also favors it's and adopt it in its political agenda. The Indian

microfinance NGOs – SHARE, BASIX, SEWA, MYRADA and PRADAN proves and grab attention in to the Indian scenario for its own development and also economic growth also. In the investment bases MFIs reaches to the 52 million borrowers including MFIs solidarity lending methodology -99.3% women client and among over all scenario 51% users are female. In India through banking sector MFIs reaches to the rural segment and did the milestone work for rural sector. As per 2001 RBI report in India 14000 branches in 375 district of India. On an average about three villages have one bank branch; this is the best coverage system over all world. RRBs provides nationalized commercial banks and credit cooperatives. Together, the RRBs, the nationalized commercial banks and the credit cooperatives — comprising of PACS and P/SLDS Primary Agricultural Credit Societies (PACS) and Primary/State Land Development Banks (P/SLDS) — have one branch for every 4,000 rural residents (Bhatt and Thorat, 2001).

Focus on poor women:

Above data reflect that in India higher scale gender inequality. With MFI it would attempted to reduce such in equality and resolve problem of society. To develop any society it is essential to empower WOMEN. Women face problem of inequality not in the field of society but face gender specific problem to education, health, employment and in home also. MF deals with women below the poverty line. For that target group should be identify. Their feature for selection, criteria for selection, type of help – all points should be kept in mind. MFI basically interested in social mobility, poverty eradication and give upward economic push. Much evidence proves that in Indian women have to face low social status and lack of key resources. Still they are better customers and able to manage resources in better way they are not able to obtain such benefits.

To empower women and upward status of women national development authority focuses on it. Special attention given to women in different programme like: Swarnagayanti Grameen Swarazgar Yojana (SGSY), the Indira Awas Yojana (IAJ), National Social Assistance Programme (NSAP), Restructured Rural Sanitation Programme, Accelerated Rural Water Supply programme (ARWSP) the (erstwhile) Integrated Rural Development Programme (IRDP), the (erstwhile) Development of Women and Children in Rural Areas (DWCRA) and the Jowahar Rozgar Yojana (JRY).

Women empowerment through MFI:

To provide empowerment to women it is not the new concept

but attention derived on it now. From 1970's many movement in different continents enforced society to give attention on women development. In India the remarkable name in this is SEWA(Self- Employed Women's Association) proves that women have divine power to prove their ability. They should not neglected on the base of their gender and assumed as INCAPABLE.

Such crucial issued first discuss in mid 70's in Mexico to generate awareness and importance of women productive role in economy and also in to the society. After such a contemporary discussion a flame of awareness spread over the world and till mid 1980 different NGO sponsored credit programmes for women development.

This movement leads to rapid expansion of large minimalist poverty targeted micro finance institutions and develop network of Grameen Bank, ACCION and SHGs. Till 1998 such programme also included health programme for women, AIDS awareness among them as subsidiary programmes. For social transformation women empowerment is essential. Main aim of such group to make women capable for own and reduce gender discrimination. Prof. CHEN developed a strategy which is based on SEWA which is promoted by UNIFEM.

SUSTAINABILITY APPROACH:

It is practiced that all the donor agencies and their followed guideline would be published by USAID, World Bank, UNDP . Many NBFC also support this sort of financial help to the ruler sector. Along with RRB also provide support to the ruler segment for women upliftment. But for that the main group is called as "BANKABLE POOR". If there is any change in policy then it would be informed by CGAP for the "financial sustainability index" in this women economic activity is reflecting economic growth and leads success for female orientation.

MFI AS TOOL FOR WOMEN UPLIFTMENT:

New emerging side would be developed by economy through MFI. In this SHGs gives special attention as already researchers focus on that which is based on divided liability.

Till 1990 women gender is highly ignored by society with the view to development. higher level discrimination faced by them and it would be compulsion for them to live below standard life and this would increase the perceptible gap among society and particularly in ruler sector. All above challenges increase economic problems to the women development. For that first self confidence among them should be generated which would give them idea of choice and they are able to select a business of their own choice.

OPPORTUNITY FOR THE WOMEN:

With MFI new world would be developed for women. A self dependant and self reliant gives boost up energy to them self. With the investment they can take their own decision for their

business, for children better future, social development, society better off and able to protect domestic violence. They act as joint decision maker and self worth who is not depending on other. Their contribution uplift their status and improve domestic relation in their society. At the world glance after the upliftment of women status opportunities also derived by them for social and political empowerment.

"It is likely that changes at the individual, household and community levels are interlinked and that individual women who gain respect in their households then act as role models for others leading to a wider process of change in community perceptions and male willingness to accept change." (Lakshman, 1996). Women outside their immediate family there have sometimes been significant changes.

Micro-finance has also been strategically used by some NGOs as an entry point for wider social and political mobilization of women around gender issues. For example SEWA in India, CODEC in Bangladesh and CIPCRE in Cameroon With their work at MFI it is possible

- They can concentrate on their own need
- Work pressure would be help them to not concentrate on their social issues
- Reduce their penalty for life.

SUGGESTIONS:

Women feminism is not possible till women empowerment. To give women empowerment it is essential to reduce gender base differentiation among society. Before MFI gender discrimination is totally negated by the society but it comes to focus with MFIs. Intense efforts make to maintain power with in their hand and reduce financial crunch. MFI provide ruler sector women their own identity and also provide them income for survival. With loan they are able to start business and also change their life looking scenario. But at the same time it should be remember that with a small loan it is not possible to give them totally self reliance. Authority always keeps close watch over all the business deals. At the time of chronic poverty it is more beneficial to save service rather then offer credit.

CONCLUSION:

In India advance level development for banks NFOs and MFIs should recorded. Nevertheless ensuring that the micro-finance sector continues to move forward in relation to gender equality and women's empowerment will require a long-term strategic process of the same order as the one in relation to poverty if gender is not to continue to 'evaporate' in a combination of complacency and resistance within donor agencies and the micro-finance sector.

In MFIs operating margins becomes tighter and this is the main reason for smaller loans delivered and due to this risk of lending to men to be too high.

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