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Role of Micro Finance in Women Empowerment in Jharkhand

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Abstract

***"Women** is the builder and molder of nations destiny, though delicate and soft as lily; she has a heart, far stronger and bolder than of men, she is supreme inspiration of man's onward march*"

Rabindranath Tagore

In the recent times the techniques of economic globalization have been followed by market players for their own interests, the process which clearly reflects that there is ruthless imposition of Principles of liberal economic model of development. After the Second World War, the immediate goal of the newly independent countries was sociological & economical reconstruction but any strategy of Socio-economic development that neglects rural women in rural areas cannot be successful. The development benefits in most of the developing countries like India have failed to trickle down to all sections of the society most significantly. The women in general and the rural women in particular constitute the most vulnerable segment of society prone to poverty, illiteracy, unemployment, malnutrition, disease and ill health. Largely unorganized and assets less poor women bear the burden of poverty and deprivation.

Microfinance is effective in reducing poverty, empowering women and creating awareness which finally results in sustainable development of the nation. Women have been the most under privileged in the society of Jharkhand which state known for his tribal populations. In the recent times, micro finance has been emerging as a powerful instrument for empowering women especially for rural women of Jharkhand. Women are also taking interest in the microfinance movement by availing the microfinance services being provided by the various financial institutions. The main objective of microfinance is to empower the women microfinance provides women with the financial backing they need to start business ventures and actively participate in the economy. It gives them a status, confidence and makes them more active in society. This is the way of gender equality. The World Bank defines empowerment as “the process of increasing the capacity of individuals or group to make choices and to transform those choices into desired actions and outcomes.

Research by United Nations Development Program (UNDP) and the World Bank, among others, indicates that gender inequalities in developing societies like India inhibit sustainable Socio-Economic growth and development. For example, a World Bank report confirms that societies that discriminate on the basis of gender experience greater poverty, slower economic growth, weaker governance and lower living standard of their people.

Improved gender equality is a critical component of any development strategy.

Keywords: Women empowerment, Microfinance.

Women face multiple barriers to progress in Jharkhand. There are few non-farmers jobs for rural women. Very few urban women work, but they have less salaried jobs than urban men. There has been a sharp decline in female labour force participation in the state. As a result,

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there are fewer women in Jharkhand’s work force compared to most other states.

About 80% of the rural population of the State depends on agriculture. Which is based on natural rain water and year by year rain is declining in lowest rate.

The per capita GSDP at constant Prices in the last three years (2016-17, 17-18 and 18-19) are 9.4, 5.0 and 5.1% respectively. This is because of low growth rates experienced.

The agriculture growth rate of the State’s economy has been stable at 3.4 percent in the past two years and the average impact of it is that on productivity. There is an emerging need to improve women’s status that should start with economic empowerment. Empowerment is a concept that gives equal importance to both men and women; it is the idea of sharing of power.

In the word of former President of India Dr. A. P. J. Abdul Kalam “Empowering women is a prerequisite for creating a good nation. When women are empowered, society with stability is assured. Empowerment of women is essential as their thoughts and value system leads to development of a good family, good society and ultimately a good nation.”

Cyber crime: Jamtara district is one of the famous district in Jharkhand where a lot of graduates unemployed persons are involved in cyber crime and they withdrawing money from bank account by using fraud phone calls to public. Most or rural unemployed persons go to the foreign country for their livelihood.

More than 90% mothers in rural areas are unaware of health and nutrition issues. The state has one of the country’s worst maternal mortality rates. The Jharkhand Women Development Society (JWDS) is registered under the Society Registration Act, 1860 and it is an autonomous body set up the Government of Jharkhand with the broad objective to manage state level Women’s Development Programs. Its main vision is to development and Socio-Economic empowerment through policies and programs. In the Social audit report it has found that flow of fund is imbalance between male and female. There is a need of balanced flow of fund between them for gender equality. Economy of Jharkhand is growing fast, but its poorest areas lag behind. In Jharkhand the percentage of women giving birth in Sahebganj district has 48% institutional deliveries, compares to 82% in the district of Purbi Singhbhum. Thus need of women empowerment through micro finance is essential. Male and female both contribute equally to the development of society and nation. Societies observing patriarchal structure have always confined the role of women in society to raising children and managing the household chores. For sustainable growth of economy, contribution by the women population is of utmost importance. According to World Bank, Employment is the process of increasing the capacity of individuals of groups to make their choices into desired actions and outcomes.

Economic Empowerment of Woman and Microfinance

Microfinance Institution is called companies that provide loan to People with low income at cheaper interest rates to start their business.

According to the Reserve bank of India, Such companies are registered under the companies Act 1956 whose total assets are less than 5 million and are providing than 5 million and are Providing Small Financial Services, they are called microfinance companies. Small lending institutions supply loan to large investors by deposing small savings from the domestic areas. It encourages saving activities in the country. The investment environment in the country is ready.

Microfinance is being proven as a financial revolution in financially empowering Women. Women were economically feeble due to lack of financial services by the bank through Self –Help Groups and other financial institutions. Women were financially empowered through savings and insurance and they got opportunity to join new business. Women are more interested in information technology than rising above the small industries like Papad and Pickles.

The effort to involve women more intensively in the microfinance Mechanism started in early 1990 in India. In early 1990 the National Bank for Agriculture and Rural Development (NABARD) launched a new National- Wide Microfinance initiative linking banks, NGOs and informal local groups (Self- Help Groups or SHGs)

This SHG-Bank linkage Program is expected to become a dominating form of financial assistance for the rural women. The SHG- bank linkage program was launched by NABARD in 1992 with the firm Policy back up of the Reserve Bank of India. National Bank for Agricultural and Rural Development (NABARD) has been playing the role of Propagator and facilitator by providing conductive policy environment training and capacity building besides extending financial support for the healthy growth of the SHG-Bank linkage program in the country.

To explore livelihood option with the community affected by the process, NGO's promoted the formation of SHGs, in which women pooled their saving so that they could avail of small loans to help them in times of need.

The groups organized themselves at the Panchayat level next and formed clusters, to help them Collectivize their ideas and thoughts and influence the outside world later, these members were federated at the district level to have a greater impact on the political and administrative structure as a whole. Women from all sections of society have one identity in common.

The SHG members engaged themselves in various activities with loan taken from their respective groups, the invested their loan in various income generating activities like Beauty Parlor, Sewing, Poultry, Goat rearing, small ration shop, and agricultural work etc.

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Before Joining SHG a Majority of women were unable to contribute towards their income as they did not have the skills or the opportunities for employment the increased income helped them to a great extent to reduce the levels of Poverty further, they get opportunities to help their children for their better education health and other development. Therefore Joining SHGs benefited the member economically.

Research Objectives

The major objectives of the Study are:

1. To study the role of micro finance in women empowerment in Jharkhand.
2. To examine the extent of involvement of women in microfinance.
3. To known about the microfinance.
4. To offer suggestions for betterment of women's empowerment through microfinance.

Research Methodology

Sources of Data: The study is exploratory in nature and is based on secondary sources.

Hypothesis

Ho= There is no difference in mean income of respondents before and after joining SHG.

Review of Literature

P.C. Deogharia analyzed the common features indentified among the SHGs under investigation were volunteering and had positive attitude, sympathetic views towards the common causes, and concern for their busy engagements. The negative attitude in terms of taking decisions were using individual autonomy despite family willingness, over concern for families, comfortable in familiar activities but reluctance

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in learning new skills, unwilling to do anything maintain self-prescribed conditions.

Siddapa in their study on the performance and involvement of the group are based on many factors including the composition of the groups, way of functioning participation on members in productive activities etc.

Supriya and Laxmana the attempts a vital inter face exit between family and women entrepreneurs. The quality of women entrepreneurship is essential influenced by the family and its immediate environment. The culture in which they are born and reared makes they depend on family and neighbors for decision making in issues related to day to day working.

Need of the study

1. Secondary education attainment among adult females in Jharkhand is among the lowest in the country.
2. Jharkhand has high gender disparity in education attainment of adults, rural women lag behind urban.
3. Female labour force participation in Jharkhand is among the lowest in the country.
4. Female labour force participation in Jharkhand declined substantially.
5. Majority of the women in rural Jharkhand work in farming, more non-farm job for men.
6. Jharkhand is predominantly a rural state. The rural population gap with national average was 7% in 2011.
7. Low per capita income, 6^{th} among states with lowest per capita income in country.
8. The poverty gap has almost doubled from 7.10% to 14.59% in comparison to national average.
9. A Naxal problem is one of the major administrative and social menaces in Jharkhand. It adversely affects women empowerment.

Status of Women in Jharkhand

As per the data of Jharkhand 2011 in India, the total population of this state is 3.29 crore, in which the number of women is 48 percent of the total population. On one side, Jharkhand is known for its civilization, culture, fascinating scenes, mineral Wealth. On the other hand, its identity is due to the Women here because women here are very hard working. It is more than men in different areas of Society. Despite the hard work even in education, health and economic equality of these women's status is far behind. Despite a lot of resources, 70 percent of the women and adolescents are suffering from anemia-like Condition, which in the future, the economic and health status of the current Jharkhand is Pathetic! A number of efforts are being made by the government and voluntary institutions to create rich Jharkhand. There are many changes in the standard of living of women and they have started to become conscious about self- respecting rights. The voluntary organization is also playing an important role in the formation and implementation of various schemes with the government machinery. Many leading voluntary organizations in Jharkhand State help in making the policies of the government as well as delivering the program through human resources to the various women of the society at the last Stage of the society. The Jharkhand government has been launching in this direction some of the major schemes are as follows:

1. **Chief Minister Ladli Lakshmi Yojana:** The Jharkhand government has made several decisions and programs in the interest of the underprivileged girls of the traditions of tribal culture. Chief Minister Arjun Munda announced the launching of Chief Minister Ladli Lakshmi Yojna in the state's establishment day i.e. 15th November 2011. Under the scheme during the birth of a daughter in the families living below the poverty line, the State government will deposit six thousand rupees in the post office for five years. When the girl goes to the sixth grade, she will be given two thousand, four thousand in the new class and seventeen thousand in class eleven. Upon going to the girl's class,

she will be given Rs. 2,000 every month. A girl child after this, the state government will give one lakh eight thousand six hundred rupees after the completion of eighteen years of the girl child. The condition in this scheme is only that the benefit will be given to the same family in which one or two girls will be born and it will be mandatory to register it at birth. This decision is taken by the Jharkhand government will be an example milestone in favor of girl child empowerment which will be an exemplary ideal for all states.

2. **Education Planning**: Government understands the importance of education of girls. Special education was given to girl's child education under Sarva Shikha Abhiyan. Some organization has an important role in the formation of committees for the promotion of girl child education and the operation of the bridge residential center. National girl early education program was specially aimed at encouraging girl child education. It provided special emphasis on curriculum based education as well as life need based and vocational education. Under the Sarva Shiksha Abhiyan, appropriate physical resources have been created for the retention of girls in school.
3. **Health Scheme**: Jharkhand government has planned a Social health activity under the National Rural Health Mission to provide health facilities to women. This is known as sahiya. It works to provide health facilities to rural women. Janani Suraksha Yojna has been launched for the women living in urban slum areas of the state and poor pregnant women. Under this Scheme, there is provision of health checkup and free medicine. In order to provide safe delivery facilities for the women of the village, special facilities have been provided for delivery in the hospital. For the betterment of women's health, large- scale family planning is spreading.
4. **Nutrition Plan**: For the purpose of saving from malnutrition, there is provision to provide dry ration by the department of social welfare. Kishori Shakti Yojana is being implemented for the poor in whom measures are taken to prevent anemia.

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5. **Malnutrition**: Along with other medicine, the tablet of iron is also being provided. Under the guidance of youth, the program has been designed by focusing only on the girls. The social welfare Department has been organized in seven districts of Jharkhand. The table program is running with the help of institutions and care self help organizations are giving special emphasis on enhancing skills for skill development and technical knowledge in consultation with Advance line service provider strengthening the government machinery voluntary contribution in making it more useful. In order to empower women in order to increase education and economic swell in Jharkhand, there has been the role of Mahila Samakhya. This has led to the development of women with the ability to make decisions, legal knowledge etc with Jharkhand Kanyadan Yojana, in the 73rd constitutional amendment for the overall development of women through the Panchayati Raj system, women have been involved in the political power structure and by the year 2010, 50% seats have been reserved for women. For the purpose of furthering women in the field of economic progress, the MNREGA program is being run by the Indian government in which 50% percent employment is reserved. For women self help group is being constructed in villages and villages through banks, Industries, NABARD and other educational institution though now the women are getting the amount easily for economic work. Ambedkar Handicrafts scheme, Triphad linkig employment with new literate low literate and illiterate people, in business through vocational education through Jharcraft, Kappat, Jan Shikshan. The women of Jharkhand are often associated with agriculture but they are not in the form of farmer like Krishivigyan Kendra, Birsa Agricultural University.

All the above schemes have helped to empower woman but in spite of this the Microfinance Company fixed its role by empowering various agencies to empower woman.

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Thus Women Empowerment takes the centre stage for sustainable development with various sources and Microfinance is an important way of sustainable development in women empowerment.

Importance of Study

1. Problems related to Social structure.
2. Marriage and Divorce.
3. Problems related to economy.
4. Economic Problems due to deforestation and land alienation.
5. Unequal wage structure.
6. Exploitation at work-place.
7. Problems related to religious life.
8. Problems of women in the political sphere.

Role of HCSSC for the Empowerment of the Women

In the poverty alleviation program to make the poor women to participate in the program from the grass root level, the Self Help Group has played a vitally important role in this context. All development works of HCSSC are directed through SHGs. It is set up meant for planning, implementing and monitoring the activity through their participative and democratic approach. Thus they act as a forum to link the women in association on the path of women's empowerment. Such activities are:

1. **Agriculture**: Women take active participation in all agricultural activities except ploughing. They are the main contributors in terms of agricultural labour. After doing labour work in the field they have to perform so many responsibilities in the household activities. Yet their job is not paid due regard in the patriarchal society. But now the scenario has been changed where SHGs are functioning. HCSSC provides training and other technical knowhow to grow verities of crop in different season. Growing of vegetables has become regular practice as an income generating activity. Good quantity of potato, tomato, wheat and paddy has been growing in some villages.

2. **Irrigation and Land Development**: The land of Jharkhand is undulating. It faces problem after rainy season. This problem has taken into consideration by the Holy Cross (A leading institute in Hazaribag district). The center has initiated a number of micro irrigation systems, viz., lift irrigation, portable irrigation system (pump sets and HDP pipes), sources of irrigation such as checkdams, wells, water harvesting tanks, spillways have been constructed. SHGs are responsible for managing all the resources and assets. With this facility a practice of multi cropping pattern has been developed.
3. **Income Generating Activities**: Women's Group has undertaken farm and non-farm activities as income generating. Women have started leaf-plate making, weaving, brick making, cash crop growing, vegetable growing, fishery, poultry, mushroom spawn production, grocery shops and other income generating activities through SHGs.
4. **Health and Medical Services**: Holy cross gives special attention towards the better health condition of the people of remote areas. It also offers referral services to the patients. It conducts training program with the help of experts of both branches, i.e., modern and traditional methods of treatment. Special emphasis has been given on the use of Herbal medicine and Acupressure.
5. **Legal Aid, Human Rights, Counseling and Guidance:** It has been identified that now the women do not want to spend their life within the boundary wall. Hence it needs regular awareness advice, education on legal, human rights, gender issue etc. In this sphere also Holy Cross has arranged different kinds of seminars which are related to Panchyati Raj, Legal Aid, and Human Rights. Holy Cross also assists in solving land litigation cases.
6. **Women Sports and Gathering:** The concept of women's work, viz. confined to cooking and other house hold activities is changing day by day specially in the area where SHGs are actively engaged in development work. SHGs have given them space to move ahead and have offered them opportunities for discovering their potential through competitions. HCSSC

organized some sports competitions at inter group level, cluster and block levels.

Impact of Self Help Group on Women's Empowerment

With the impact of HCSSC the women have begun to cross the household boundary as far as practicable. We can see the changes in their lives as a result-

The collective nature of the group brings them a sense of collective power gaining for them a consciousness of self-worth, self-confidence, self-identity and recognition.

Earlier they were silent listeners, now they have been taking active participation in the decision making process. A trend of saving has been introduced among them.

Male members of the family are also realizing the real role of the women. Generally they avoid going to the moneylender for any kind of loan. This practice has raised the standards of living. Improvement in social interactions and consciousness, are leading to women empowerment. Women's equality in power sharing and active participation in decision making at all levels will be ensured for the achievement of the goals of empowerment. Regarding improvement of economic empowerment of women the critical role of women in the agricultural and allied sectors, as producers, concentrated efforts will be made to ensure that benefit of training, extension and various program will reach them in proportion of their numbers. It has been found that most of the family members have realized the role of education for daughters also for better life. In order to make the rural women aware about the importance of education the Holy cross has laid down some policies. A holistic approach to women's health will be adopted and special attention will be given to the needs of women and girls at all stages of the life cycle. All forms of violence against women will be dealt with effectively with a view to eliminate its incidence. All forms of discrimination against the girl child and violation of her rights will be eliminated.

Economic Empowerment of the SHG Member

In order to ascertain the degree of economic independence of the group members the questions that were set relate to:

a) Receiving loan from the groups
b) Joining Microfinance Program through SHG increased the Financial Capacity.
c) Assess to microfinance Program through SHG helped increasing access to health and education of the family.

It explains that Joining microfinance program through SHG helped them a lot regarding their increase in Financial capacity, availing services like heath, education and other development for their family therefore it proved that the degree of economic independence of the respondents became high being members of SHGs.

To evaluate the level of economic empowerment questions regarding the relative freedom of taking decision, in matters of availing loan, The manner of using the loan and Profit earned from the loan were set relate to:

a) The decision regarding taking loan
b) The decision regarding the use of loan
c) The decision as to what to do with the money earned from the income.

It may be ascertained that economic independence automatically leads to economic empowerment in all cases. But there is a lack of compatibility between the degree of economic independence and the level of economic empowerment. In maximum cases a high percentage of women have taken joint decision and few had acted independently.

Significance of the study

1. The fundamental goal of this paper is to estimate the effect of an intervention in relationship to the counter factual.

2. Microfinance being the intervention in relation to the empowerment status of the women.
3. Microfinance organizations explicitly perceive microfinance as a tool for the women's rights and actual independence.
4. An increasing number of microfinance institutions prefer women members as they believe that they are better and more faithful borrowers.
5. In Jharkhand, studies have been carried out and they indicate every type of results on various dimensions of women empowerment like Positive, Negative and Neutral.
6. In Jharkhand microfinance is in its growing stage.
7. It aims to find evidences for three dimensions of empowerment i.e. Economic empowerment as income, consumption expenditure, savings, access to credit as decision making, financial literacy, children education, Mobility and Personal empowerment as skills, training, self-perception of empowerment by women members and Political empowerment.
8. Microfinance increases the income of the women.
9. Microfinance increases the saving of the women.
10. Microfinance Program increases the number of working days of the women.
11. Microfinance program leads to increase in contribution of consumption expenditure of the women.
12. It leads to increase in the value of household assets, productive assets, and children education expenses which are the welfare of a family.

Problems and challenges

1. Lack of knowledge of the market and potential profitability.
2. High interest rates.
3. Lack of adequate training.

Conclusion

Micro Finance is being proven as a financial revolution in financially empowering women who were economically feeble due to lack of

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financial services by the bank. Through self–help groups and other financial institutions, women were financially empowered through saving and insurance and they got an opportunity to start new business. Women are more interested in information technology than rising above cottage industries like papad and pickles, Goat rearing, small ration shop, poultry, sewing etc. It has been observed that by increasing the decision making power of women in some families of Jharkhand State they have become able to increase their political status. Their economic status can be improved by providing advance technical knowhow, by implementing various income generating activities, by making them aware about Self Help Groups and bay providing better education and health facilities, by making them aware about gender equality and their various rights in Jharkhand. Microfinance is accepted as a key role for attaining and maintaining the sustained and long term economic growth in all over the Jharkhand. Today microfinance is striving to match the convenience and flexibility of informal sector while adding flexibility and continuity. It can be concluded that access to microfinance results in women empowerment access to micro credit has resulted in positive impact on the empowerment of women thus it is recommended to be continued and increase its reach to as many women as possible in Jharkhand.

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