



IMPACT OF MICROFINANCE AND ECONOMIC EMPOWERMENT OF WOMEN: A CASE STUDY ON NORTH 24 PARGANAS DISTRICT, W.B.

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Abstract

The objective of this study is to examine the economic empowerment of women through microfinance. To examine this, self help groups of two blocks in the North 24 Parganas district, viz., Barasat-I and Barasat-II blocks, have been selected purposively. Control over assets, agency/ decision-making, autonomy and mobility, self confidence, income and prosperity have been used as indicators to measure the empowerment of rural women in the North 24 Parganas district. Percentage and tabulation have been used as statistical tools for data analysis. The analysed findings confirm that there is a positive impact on the economic empowerment of women in the North 24 Parganas district in terms of control over assets, agency/decision-making, autonomy and mobility, self confidence, income and prosperity.

Key words: Microfinance, Self help groups, Economic empowerment, Women empowerment, North 24 Parganas

Introduction:

Self help groups are small groups of people belonging to the same socio-economic background with the purpose of solving their common problems. Even after 71 years of Indian independence, Indian women are still considered one of the most helpless and marginalised sections of Indian society. Our constitution not only grants equality to women but also empowers the state to take measures to empower women. Self help groups are the most important approach for women empowerment. The RBI has launched a scheme to connect self-help groups with lending institutions like commercial banks so that commercial banks can effectively address self-help groups' credit needs. Microfinance through self help groups often targets women. It is a powerful tool for women to become economically empowered. In this study, an effort has been made to measure the role of self help groups in the empowerment of women.



Review of literature:

Venkatesh, J. and Kala, K. (2010) conducted a study on self help groups and women empowerment. The title of the study was “Empowering rural women all the way through self help groups”. The objective of the study was to make analysis of the women through SHG in the south districts of Tamil Nadu. The findings of the study revealed that after joining the self help groups, the income of the women members have increased. The monthly household outflow has also been lifted considerable level.

Mahender, M.V.S., Reddy, S. A. and Bhat, M. S. (2011) conducted a study on self help groups and economic empowerment of women. The title of the study was “A study on economic empowerment of women through self help groups in Mahabubnagar district of Andhra Pradesh” The study explored the role of self help groups in economic empowerment of women. The results of the study showed that there was an increase in the income and the savings level among the members of the group.

Narang, U. (2012) conducted a study on self-help groups and women empowerment. The title of the study was “Self help group: an effective approach to women empowerment in India.” The study found that self help groups have been more successful in improving the living conditions of the women and it also helps to alleviate poverty besides women empowerment.

Vinodhini, R.L. and Vijayanthi, P. (2016) conducted a study on self help groups and women empowerment. The title of the study was “Self help group and socio-economic empowerment of women in rural India.” The study focused on confirming the financial and social empowerment status of women belonging to various self help groups in the country. The study found that self help groups have developed self-confidence and independence among rural women which in turn increased the livelihood of the rural people.

Rasool, M. (2018) conducted a study on self help groups and economic empowerment of women. The title of the study was “Economic empowerment of women through self help groups in district Baramulla of Jammu and Kashmir.” The findings of the study showed that microfinance through self help groups have created a positive impact for its beneficiaries. Participation in self help group has a positive impact on the income, savings and assets position of the participants.

Harika, K. Raviteja, K. and Nagaraju, V. (2020) Conducted a study on self help groups and women empowerment. The title of the study was “Women empowerment through self help groups (SHGs) in three dimensions: An empirical study of rural Andhra Pradesh.” In their study an attempt has made to study women empowerment through SHGs in three dimensions in rural Andhra Pradesh. The findings of the study revealed that the SHG members are observed better empowered when compared to NSHG in socio, economic and political dimensions. Further the



study confirmed that as member in SHGs for long time helps to improve the women empowerment.

Research Gap:

In the present research work, the researchers' emphasised on the economic impact of women through microfinance in the two blocks, viz., Barasat-I and Barasat-II, in the North 24 Parganas district, W.B., India. So far as we know, this type of research work based on these indicators is scarce in this area.

Statement of the problem:

“To study the impact of microfinance on the economic empowerment of women through self help groups in two blocks, viz., Barasat-I and Barasat-II, in the North 24 Parganas district under the jurisdiction of W.B., India.”

Objectives of the study:

The objectives of the study are:

1. To study the economic empowerment of women through self help groups in the North 24 Parganas district, W.B.
2. To provide suggestions for the improvement of the function and management of self help groups in the North 24 Pargans district, W.B.

Research Question:

The objectives of the study arise from the following question:

How have the self help groups impacted on economic empowerment of the women in the North 24 Parganas District, W.B.?

Limitations of the study:

This research is limited to the two blocks viz. Barasat-I, Barasat_II block in the North 24 Parganas district. Only these two blocks were selected as the universe. The sample size of the respondents is inadequate. The field study has been conducted with a total of 100 respondents (50 from each block). Due to shortage of time, just a few indicators have been utilised to assess the economic empowerment of the women in the North 24 Parganas district, W.B. As a result, generalising that the women of North 24 Parganas district have been empowered is incorrect.

Research methodology:

This is a descriptive research that is based on primary data. The primary data has been collected by conducting a field survey. Barasat-I and Barasat-II block in the North 24 Parganas district have been selected purposively for the study. A structured questionnaire has been prepared and used for collecting data from the women SHG members of selected blocks. Close ended questions have been included in the questionnaire. Only two options have been given to the



respondents for each question. The respondents have to answer the question either ‘yes’ or ‘No’. A simple random sampling method has been followed during sample selection. The numbers of sample respondents of both the blocks are 50 each. So, the total number of sample respondents is 100. Control over assets, agency/ decision-making, autonomy and mobility, self confidence, income and prosperity of the sample respondents have been used as indicators to measure the economic empowerment of women in the North 24 Parganas district. Percentage and tabulation have been used as statistical tools for data analysis.

Power and Agency Indicators

Source: Golla, et. all. (2011), Understanding and measuring women’s economic empowerment, pp. 7

Indicators	Individuals/Household Level
Control over assets	Women’s ownership of productive assets (land, animals, machinery)
	Women have their own source of income
	Share of household income provided by women
	Women have control over how to spend some cash or savings
Agency/ Decision-making	Proportion of women’s income spent on herself and children
	Women’s involvement in major household decisions, i.e. large purchases (car, house, household appliance), agricultural decisions
	Women’s access to information and technology
Autonomy and Mobility	Women’s ability to visit friends, family, associates
	Women’s ability to use public transportation/travel freely in public spaces
	Women’s use of media, phone, technology
Self-confidence/ Self-efficacy	Psychological wellbeing
	Attitudes on own self-esteem
	Articulateness and confidence in speaking with authorities
Income	Levels of income and revenue Earnings, profits
	Has individual and household savings
	Has a safe place to save
Prosperity	Individual and family wealth
	Housing, property, assets
	Better health and nutrition

Available at : <https://www.icrw.org/wp-content/uploads/2016/10/Understanding-measuring-womens-economic-empowerment.pdf>



Data analysis and Findings:

Table 1

Change of Control over Assets of the Respondents in the Studied Area

Indicators	Before				After			
	No. Res-pondents	%	No. Res-pondents	%	No. Res-pondents	%	No. Res-pondents	%
	Yes		No		Yes		No	
Women’s ownership of productive assets (land, animals, machinery)	10	10	90	90	70	70	30	30
Women have their own source of income	10	10	90	90	80	80	20	20
Share of household income provided by women	10	10	90	90	90	90	10	10
Women have control over how to spend some cash or savings	10	10	90	90	80	80	20	20

Source: Field survey

Table 1 shows the picture of the change of control over assets of the respondents in the studied area. It implies that the condition of the women in the studied area in terms of control over assets has changed after joining self help groups. The percentage of women respondents, who have said that their condition in terms of ‘women’s ownership of productive assets (land, animals, Machinery) before joining self help groups has been changed, is 10. While the percentage of women respondents who have said that their condition in terms of ‘women’s ownership of productive assets (land, animals, Machinery)’ after joining self help groups has been changed is 70. The percentage of women respondents who have said that their condition in terms of ‘women have their own source of income’ before joining has been changed, is 10. While the percentage of women respondents who have said that their condition in terms of ‘women have their own source of income’ after joining self help groups has been changed, is 80. The percentage of women respondents who have said that their condition in terms of ‘share of household income provided by women’ before joining self help groups has been changed, is 10. While the percentage of women respondents who have said that their condition in terms of ‘share of



household income provided by women’ after joining has been changed, is 90. The percentage of women respondents who have said that their condition in terms of ‘women have control over how to spend some cash or savings’ before joining self help groups has been changed, is 10. While the percentage of women respondents who have said that their condition in terms of ‘share of household income provided by women’ after joining has been changed, is 80.

Table 2

Change of Agency/ Decision-making of the Respondents in the Studied Area

Indicators	Before				After			
	No. Respondents	%	No. Respondents	%	No. Respondents	%	No. Respondents	%
	Yes		No		Yes		No	
Proportion of women’s income spent on herself and children	10	10	90	90	80	80	20	20
Women’s involvement in major household decisions, i.e. large purchases (car, house, household appliance), agricultural decisions	20	20	80	80	90	90	10	10
Women’s access to information and technology	5	5	95	95	60	60	40	40

Source: Field survey

Table 2 shows the picture of the change of agency / decision making of the respondents in the studied area. It implies that the condition of the women in the studied area in terms of change of agency/decision making has changed after joining self help groups. The percentage of women respondents, who have said that their condition in terms of ‘proportion of women’s income spent on herself and children’ before joining self help groups has been changed, is 10. While the percentage of women respondents who have said that their condition in terms of ‘proportion of women’s income spent on herself and children’ after joining self help groups has been changed, is 80. The percentage of women respondents, who have said that their condition in terms of ‘Women’s involvement in major household decisions, i.e. large purchases (car, house, household appliance), agricultural decisions’ before joining self help groups has been changed, is 20. While the percentage of women respondents who have said that their condition in terms of ‘Women’s involvement in major household decisions, i.e. large purchases (car, house, household appliance), agricultural decisions’ after joining self help groups has been changed, is 90. The



percentage of women respondents, who have said that their condition in terms of ‘Women’s access to information and technology’ before joining self help groups has been changed, is 5. While the percentage of women respondents who have said that their condition in terms of ‘women’s access to information and technology’ after joining self help groups has been changed is 60.

Table 3

Change of Autonomy and Mobility of the Respondents in the Studied Area

Indicators	Before				After			
	No. Res-pondents	%	No. Res-pondents	%	No. Res-pondents	%	No. Res-pondents	%
	Yes		No		Yes		No	
Proportion of women’s income spent on herself and children	10	10	90	90	80	80	20	20
Women’s involvement in major household decisions, i.e. large purchases (car, house, household appliance), agricultural decisions	20	20	80	80	90	90	10	10
Women’s access to information and technology	5	5	95	95	60	60	40	40

Source: Field survey

Table 3 shows the picture of the change of autonomy and mobility of the respondents in the studied area. It implies that the condition of the women in the studied area in terms of change of autonomy and mobility of the respondents has been changed after joining self help groups. The percentage of women respondents, who have said that their condition in terms of ‘proportion of women’s income spent on herself and children’ before joining self help groups has been changed, is 10. While the percentage of women respondents who have said that their condition in terms of ‘proportion of women’s income spent on herself and children’ after joining self help groups has been changed, is 80. The percentage of women respondents, who have said that their condition in terms of ‘Women’s involvement in major household decisions, i.e. large purchases (car, house, household appliance), agricultural decisions’ before joining self help groups has



been changed, is 20. While the percentage of women respondents who have said that their condition in terms of ‘Women’s involvement in major household decisions, i.e. large purchases (car, house, household appliance), agricultural decisions’ after joining self help groups has been changed, is 80. The percentage of women respondents, who have said that their condition in terms of ‘Women’s access to information and technology’ before joining self help groups has been changed, is 5. While the percentage of women respondents who have said that their condition in terms of ‘Women’s access to information and technology’ after joining self help groups has been changed, is 60.

Table 4

Change of Self-confidence/ Self-efficacy of the Respondents in the Studied Area

Indicators	Before				After			
	No. Res-pondents	%	No. Res-pondents	%	No. Res-pondents	%	No. Res-pondents	%
	Yes		No		Yes		No	
Psychological wellbeing	30	30	70	70	60	60	40	40
Attitudes on own self-esteem	20	20	80	80	90	90	10	10
Articulateness and confidence in speaking with authorities	30	30	70	70	80	80	20	20

Source: Field survey

Table 4 shows the picture of the change of self-confidence/ self efficacy of the respondents in the studied area. It implies that the condition of the women of the studied area in terms of change of self- confidence/ self-efficacy of the respondents has changed after joining self help groups. The percentage of women respondents, who have said that their condition in terms of ‘psychological wellbeing’ before joining self help groups has been changed, is 30. While the percentage of women respondents who have said that their condition in terms of ‘Psychological wellbeing’ after joining self help groups has been changed is 70. The percentage of women respondents, who have said that their condition in terms of ‘Attitudes on own self-esteem, before joining self help groups has been changed, is 20. While the percentage of women respondents who have said that their condition in terms of ‘attitudes on own self-esteem’ after joining self help groups has been changed is 90. The percentage of women respondents, who have said that their condition in terms of ‘articulateness and confidence in speaking with authorities’, before joining self help



groups has been changed, is 30. While the percentage of women respondents who have said that their condition in terms of ‘Attitudes on own self-esteem’ after joining self help groups has been changed is 80.

Table 5

Change of Income of the Respondents in the Studied Area

Indicators	Before				After			
	No. Res-pondents	%	No. Res-pondents	%	No. Res-pondents	%	No. Res-pondents	%
	Yes		No		Yes		No	
Levels of income and revenue earnings, profits	10	10	90	90	70	70	30	30
Has individual and household savings	10	10	90	90	80	80	20	20
Has a safe place to save	20	20	80	80	80	80	20	20

Source: Field survey

Table 5 shows the picture of the change of income of the respondents in the studied area. It implies that the condition of the women in the studied area in terms of change of income of the respondents has been changed after joining self help groups. The percentage of women respondents, who have said that their condition in terms of ‘levels of income and revenue earnings, profits’ before joining self help groups has been changed, is 10. While the percentage of women respondents who have said that their condition in terms of ‘levels of income and revenue earnings, profits’ after joining self help groups has been changed is 70. The percentage of women respondents, who have said that their condition in terms of ‘has individual and household savings’, before joining self help groups has been changed, is 10. While the percentage of women respondents who have said that their condition in terms of ‘has individual and household savings’ after joining self help groups has been changed, is 90. The percentage of women respondents, who have said that their condition in terms of ‘has a safe place to save’, before joining self help groups has been changed, is 20. While the percentage of women respondents who have said that their condition in terms of ‘has a safe place to save’ after joining self help groups has been changed is 80.



Table 6

Change of Prosperity of the Respondents in the Studied Area

Indicators	Before				After			
	No. Respondents	%	No. Respondents	%	No. Respondents	%	No. Respondents	%
	Yes		No		Yes		No	
Individual and family wealth	10	10	90	90	60	60	40	40
Housing, property, assets	10	10	90	90	70	70	30	30
Better health and nutrition	30	30	70	80	80	80	20	20

Source: Field survey

Table 6 shows the picture of the change of prosperity of the respondents of studied area. It implies that the condition of the women of the studied area in terms of change of prosperity of the respondents has been changed after joining self help groups. The percentage of women respondents, who have said that their condition in terms of ‘individual and family wealth’ before joining self help groups has been changed, is 10. While the percentage of women respondents who have said that their condition in terms of ‘individual and family wealth’ after joining self help groups has been changed is 60. The percentage of women respondents, who have said that their condition in terms of ‘housing, property, assets’ before joining self help groups has been changed, is 10. While the percentage of women respondents who have said that their condition in terms of ‘housing, property, assets’ after joining self help groups has been changed is 70. The percentage of women respondents, who have said that their condition in terms of ‘better health and nutrition’, before joining self help groups has been changed, is 30. While the percentage of women respondents who have said that their condition in terms of ‘better health and nutrition’ after joining self help groups has been changed is 80.

Conclusion:

The findings of the data analysis suggest that microfinance through SHGs has had an impact on the economic empowerment of women in the North 24 Parganas district. The condition of the women of North 24 Parganas district in terms of the indicators for measuring economic empowerment of women, like control over assets, agency/ decision-making, autonomy and mobility, self confidence, income and prosperity, have been changed after joining self help



groups. The household/ individual levels used indicators of control over assets of the respondents like women's ownership of productive assets (land, animals, machine), women have their own source of income, share of household income provided by women and women have control over how to spend some cash or savings, have been examined. It shows that the condition of respondents of the self help groups has improved after joining self help groups. It establishes that the women of self help groups in the North 24 Parganas district have been economically empowered. The household/ individual levels used indicators of agency/ decision making of the respondents like proportion of women's income spent on herself and children, women's involvement in major household decisions, i.e. large purchases (car, house, household appliance), agricultural decisions and women's access to information and technology have been examined. It shows that the condition of respondents of the self help groups has improved after joining self help groups. It establishes that the women of self help groups in the North 24 Parganas district have been economically empowered. The household/ individual levels used indicators of autonomy and mobility of the respondents like proportion of women's income spent on herself and children, women's involvement in major household decisions, i.e. large purchases (car, house, household appliance), agricultural decisions, women's access to information and technology have been examined. It shows that the condition of respondents of the self help groups has improved after joining self help groups. It establishes that the women of self help groups in the North 24 Parganas district have been economically empowered. The household/ individual levels used indicators of self-confidence/ self-efficacy of the respondents like psychological wellbeing, attitudes on own self-esteem, articulateness and confidence in speaking with authorities, have been examined. It shows that the condition of respondents of the self help groups has improved after joining self help groups. It establishes that the women of self help groups in the North 24 Parganas district have been economically empowered. The household/ individual levels used indicators of income of the respondents like, levels of income and revenue earnings, profits, has individual and household savings, has a safe place to save have been examined. It shows that the condition of respondents of the self help groups has improved after joining self help groups. It establishes that the women of self help groups in the North 24 Parganas district have been economically empowered. The household/ individual levels used indicators of prosperity of the respondents like, individual and family wealth, housing, property, assets, better health and nutrition have been examined. It shows that the condition of respondents of the self help groups has improved after joining self help groups. It establishes that the women of self help groups in the North 24 Parganas district have been economically empowered.

Suggestions:

The following suggestions are offered for the improvement of the functions of self help groups:



1. The respondents should be given proper training so that they can make innovative product using raw materials available from their local area.
2. The respondents need to be provided training on the online system.
3. District level organization like DRDC should come forward and extend their hands to expand the market without limiting its operation to district level.
4. The local NGOs should take a more active role in women empowerment by providing them education, training, financial help etc.
5. More awareness camps are needed. The self help group members should know about the different schemes provided by the central and state government.

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DOI: [10.17485/ijst/2016/v9i27/97629](https://doi.org/10.17485/ijst/2016/v9i27/97629)