

Micro-Credit and Women Empowerment

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ABSTRACT

In the development process of the world empowering women has been designated as an indispensable requirement in reducing poverty. But in spite of its significance, the issue cannot be resolved steadily owing to innumerable factors hindering its development. The paper makes an attempt to explore the efforts incorporated by Ukhrul District Women Institute of Micro-Credit (UDWIM) to empower women by providing Micro-credit for Sustainable Livelihood. The study was conducted in Ukhrul district, Manipur, on the Self Help Groups formed under UDWIM. Normative Survey Method was adopted for the present study. Percentage method was used to analyze the data. The study reveals that Micro-credit given by UDWIM turns out to be one of the most significant instrumental aspects in empowering women.

1. Introduction

Empowering women is a life sustaining instrument for diminishing poverty. Empowered women endow to the overall productivity, e.g. health and hygiene, nutrition and diet, proper sanitation, less dropout rates of children from school, timely immunization, systematic maintenance of the family, society and community, etc, as a whole and they also help in ameliorating the likelihood for the next generation. Numerous institutions have been upholding means for empowering women but compared to men, women are still unprotected and deprived because of the fact that there is expeditious growth in unemployment women became economically dependent towards their male counterparts. Nevertheless one cannot go unnoticed the innumerable contribution given by women in the domestic as well as socio-economic life of the family, society and nation as whole. And for this it is of paramount concern that development of nation cannot be accomplished without empowering the women. Women are empowered when their social, cultural, and economic status re revamped. As such, micro credit has emanated as a vigorous tool for women to engage her in reducing poverty and self employment.

Ukhrul District Institute of Micro-credit (UDWIM) is a registered body and a women oriented organization. It is a project under IFAD/NERCOMP – 1. “Culture to self help” is the motto of UDWIM. It was established in Ukhrul, Manipur, on 24th July 2007, under the sympathetic guidance of DST, UDCRMS, by 437 women Self Help Groups (SHGs) comprising of roughly 8000 members to address the poor socio-economy of indigenous women. To become a Banking Financial Corporation or Financial Institute in the future is the vision of UDWIM.

2. Significance of the Study

This study will let know the women of the district regarding the multifaceted roles played by micro credit in empowering them. It will also help women realize the importance of micro credit in making them increase their economic status as well as various income generating activities which makes them lessen their financial burden and dependency towards their husbands.

It will so help increase the number of women entrepreneurs in the district.

3. Objectives of the study

1. To identify the various source of income of the women of the district.
2. To study the income of the women before and after micro credit loans.
3. To study the mode of utilization and repayment of micro credit loans.

4. Delimitations of the study

The present study is confined only to those women SHG members under Ukhrul District Women Institute of Micro credit (UDWIM).

5. Review of Related Literature

S.Chitra (2016) made an attempt to analyze the role and performance of SHGs in promoting women's empowerment in Kancheepuram District of Tamil Nadu and the study identified that NGOs should act as facilitator and motivator for the members of the SHGs to be more active, enthusiastic and dynamic in order to mobilize their savings by group actions and. Nominal financial benefits should be given to the executive members managing the group enabling them to be more involved in the activities of the group. It was suggested that active intervention by voluntary organizations, professional bodies and district administration is a requirement for the successful conception of micro enterprises in terms of skill training, designing products, providing new technology and access to market.

Pamchuiso Ningshen and M.P. Boraian(2013) studied on the Empowerment of Tribal Women in Ukhrul District, India – the role of IFAD Supported SHGs and the study revealed that in the context of Ukhrul district, traditionally, women did not involve much in decision making and credit is considered as man's domain. However, through training and equal opportunity, the position of women is slowly reversing. The formation of village federation, zonal federation and the apex body known as the UDWIM (Ukhrul District Women Institute of

Micro-credit) gave them the chance to represent and share their opinion. The study believed that when womenfolk are empowered, the family led a healthy life, for instance, healthier food, access to better health facilities, better education for children and rise in income level. Ultimately, the SHG activities can be more strengthened in almost all the groups.

Mahendra Kumar Dash (2013) studied on the Role of Self-Help Groups in Empowerment of Women in Bargarh and found that the SHGs have made a lasting impression on the lives of the women particularly in the rural areas of India.

LubnaYeasmin (2012) studied on the Role of Micro credit in Creating Livelihood Options and Women’s Empowerment in a Bangladesh Wetland and it was found that those households with diversified livelihood options tend to have more financial security and assets and in creating livelihood option through micro credit.

Gopa Samanta (2009) examines the success and failures of microfinance to ameliorate poverty, to generate livelihoods and to empower women by organizing them under Self Help Groups and found that the impacts are mixed in nature. SHGs success in raising the women and their families above poverty line are due to well planned livelihood activity, well thought and well nourished dedicated practitioners from either Government or NGOs working close to the grass root level. The study also revealed that there were many cases where women had been engaged very long in SHG activities but could not generate sufficient income to contribute to the family leaving no choice but to still cope with poverty.

6. Research Methodology

Normative survey method was used for the present research. The population comprises of the members of women SHG under UDWIM. Sample of 150 women has been taken up using Stratified random sampling technique. Questionnaire was developed by the investigator and it was used as tool for collecting data from the respondents. Primary sources of data were mainly used for this research.

7. Analysis and Interpretation of data

Table no. 1 Showing the Age Wise Analysis of Respondents

Sl. No.	Age Groups	No. of Respondents	Percentage
1	18-25	8	5.3%
2	25-35	38	25.3%
3	35-45	58	38.6%
4	45-55	34	22.6%
5	55 and above	12	8%
Total		150	

The above table no.1 shows that out of the 150 women respondents, majority of them belong to the group of 35-45 years i.e. 58 (38.6%). While 8 (5.3%) belong to the age group of 18-25 years, 38 (25.3%) belong to the age group of 25-35, whereas 34 (22.6%) belong to the age group of 45-55 and 12 (8%) belong to the age group of 55 and above.

Table no.2 Showing the Sources of Income of the Respondents

Sl.No	Sources of Income	No. of Respondents	Percentage
1	Selling Vegetables and Fruits	18	12%
2	Weaving	48	32%
3	Animal Husbandry	8	5.3%
4	Cultivator	16	10.6%
5	Kitchen Garden	12	8%
6	Piggery	18	12%
7	Farming	10	6.6%
8	Petty Business	20	13.3%
Total		150	

From the above table no.2 it was found that majority of the women respondents are engaged in weaving i.e. 48 (32%) while minority of the women respondents are engaged in animal husbandry i.e. 8 (5.3%). 18 (12%) of them are engaged in selling vegetable and fruits, 16 (10.6%) are engaged in cultivating, 12 (8%) re engaged in kitchen garden, 18(12%) re engaged in piggery, 10(6.6%) re engaged in farming whereas 20(13.3%) are engaged in petty business.

Table No. 3 Showing the Monthly Income of Respondents before and after taking micro-credit from UDWIM

Sl. No.	Income before taking micro credit	Income after taking micro credit	No. of respondents	Percentage
1	200	500	6	4%
2	500	1000	9	6%
3	1000	1500	24	16%
4	1500	2000	39	26%
5	2000	3000	15	10%
6	3000	4000	18	12%
7	4000	5000	15	10%
8	5000	6000	15	10%
9	6000	8000	9	6%
Total			150	

The above table no.3 shows the monthly income of the respondents before and after obtaining micro- credit from UDWIM. It was found that out of the 150 respondents, after obtaining micro credit from UDWIM, majority of the women’s respondents monthly income increased by Rs 1000 i.e. 15 (10%), 18 (12%), 15 (10%), 15(10%)and Rs 500 i.e. 9 (6%), 24 (16%), 39 (26%)whereas, 6 (4%), women respondents increased their monthly income by Rs 300 and the others i.e. 9 (6%) women have a monthly income of more than Rs 6000 increased by Rs 2000 respectively.

Table No. 4 Showing Utilization of Micro credit by the Respondents

Sl. No.	Mode of Utilization	No. of Respondents	Percentage
1	Children’s Education	45	30%
2	Household Expenses	35	23.3%

3	Production	30	20%
4	Investment	25	16.6%
5	To lend others	15	10%
Total		150	

The above table no.4 shows the respondents way of utilizing the micro credit obtained from UDWIM. It was observed that majority of the respondents i.e. 45 (30%) respondents utilized their loans for their children’s education, 35 (23.3%) respondents utilized for household expenses, 30 (20%) respondents utilized for production, 25 (16.6%) respondents have been found to invest in their business whereas 15 (10%) were found to lent it to others.

Table No 5 Showing the Respondents Mode of Repayment of Micro-credit

Sl. No	Mode of Repayment	No. of Respondents	Percentage
1	Timely Repayment	100	66.6%
2	Late Repayment	50	33.3%
3	Defaulter	Nil	Nil
Total		150	

The above table no.5 shows the mode of repayment of loans. It was observed that 100 (66.6%) of respondents repaid their loans in time and 50 (33.3%) of the respondents are found to have repaid their loans late whereas no defaulters were found in the present study.

Table No. 6 Showing the Respondents Reason for Prompt Repayment

Sl. No	Reason for repayment	No. of Respondents	Percentage
1	Own Resolution	120	80%
2	Peer Pressure	30	20%
Total		150	

The above table no.6 shows the factors for prompt repayment of loans. It was found that 120 (80%) of the respondents repaid their loans solely depending on their own resolution whereas 30 (20%) of the respondents repaid their loans depending upon peer pressure.

8. Findings of the Study

1. Majority of the respondents belong to the age group of 35-45 i.e. 38.66% whereas 5.33% between the age group of 18-25 were found to be the least.
2. Maximum number of women i.e. 32% i.e. 48 respondents were engaged in weaving whereas 5.33% i.e. 8 respondents were engaged in animal husbandry.
3. 6% i.e. 9 respondents increased their monthly income by Rs 2000 after obtaining microcredit from UDWIM whereas majority of the respondents i.e. 26% i.e. 39 respondents increased their monthly income by Rs 1000 and 4% i.e. 6 respondents increased by Rs 300.
4. Maximum respondents i.e. 30% i.e. 45 respondents utilize loans for their children’s education and others for household expenses, production, investment

whereas 10% i.e. 15 respondents used to lend it to others.

5. Timely repayment was found from 66.66% i.e. 100 respondents whereas late repayment by 33.33% i.e. 50 respondents and fortunately no defaulter was found for this present study.
6. 80% i.e. 120 respondents were found to have repaid their loans solely made on their own resolution whereas 20% i.e. 30 respondents repaid depending upon peer pressure.
7. It was also found that the respondents used the loans for income generating activities such as dish wash making, detergent powder, oyster mushroom cultivation, bakery etc.

9. Suggestions

Following suggestions were made based on the present study:

1. More Self Help Groups need to be set up so that earning can be made in a more collective and systematic way.
2. Interest rates on micro-credit still need to lessen so that it can act as a measure to encourage and supplement more income generating activities so that economic status of women can be alleviated.
3. Timely intervention from the concerned departments and authorities such as Social Welfare Department, ICDS, financial institutions, etc is in need so that women can address their needs and aspirations.
4. Women of the district need to be informed regarding the various sponsored Schemes and Policies of women empowerment by the Central and State Government.
5. Information and knowledge of income generating activities as well as availing of micro credit loan needs to be disseminated so that it can reach the unreached deprived women of the district.

10. Conclusion

Micro-credit has emerged as not only a measure of reducing poverty but also a mechanism for women empowerment. To obtain micro-credit after joining Self Help Groups to empower themselves in order to create a sustainable livelihood is such an inspiring and challenging testimony of many women of the district. And after noticing their peers improved the habit of saving even from the meager amount after obtaining micro-credit the women of the district have started enrolling themselves in Self Help Groups voluntarily. Women have been playing a significant role in uplifting the socio economic status of the family, society and nation as a whole and their generous contributions can never be denied and this is not an exception in the case of Ukhrul district as well. And to empower women there has to be an empowering mechanism. They need to be equipped with the appropriate skills and techniques so that they can be empowered from every possible angle.

11. Policy Implications

To empower women they need to be sensitized regarding the many issues, problems and challenges concerning them.

Necessary arrangements and timely intervention along with various empowering mechanism by the concerned

departments and authorities are in need for the down trodden women of Ukhrul district.

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