MICRO FINANCING THROUGH SELF HELP GROUPS –
A GATEWAY TO WOMEN EMPOWERMENT

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ABSTRACT

A recent survey by the World Bank indicates that India is home to one third of the world’s population of poor people and 50% of Indian population still do not have access to banking services and do not even have a simple savings account. Women represent 50% of the world population, but, receive only 10% of the world’s income and own less than 1% of the world’s property. This is a world wide scenario. The scenario in India is still worse as women are suffering the problems of gender discrimination, disadvantages at literacy, employment, earnings and participation in decision making.

Challenges will continue to grow and the development of nation will continue to stutter unless women empowerment is pursued through policies so that women too can contribute their might towards nation building. One of the tools for empowering women is microfinance.

Micro finance scene is dominated by micro financing through self help groups with bank linkage programmes which acts as a catalyst for empowerment of women. Micro finance has been recognized as the right strategy for women empowerment. This paper is an attempt to recognize the role of micro finance through self help groups in poverty alleviation and empowerment of women. The study has been done on women respondents who belong to self help groups of MASARD. An Empowerment Index was constructed with the various facets of empowerment such as social, economic, personal and cognitive empowerment being considered as variables for the index. The study has been based on the model suggested by Chen and Mahmud for measuring the empowerment level of women.

KEYWORDS: Microfinance, Women Empowerment, Poverty alleviation, MASARD