

**STUDY ON THE IMPACT OF MICROFINANCE ON RURAL
WOMEN EMPOWERMENT WITH THE SPECIAL
REFERENCE TO POST-COVID SCENARIO: A CASE STUDY
(JORHAT DISTRICT, ASSAM)**

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ABSTRACT:

Nowadays, in the field of rural development microfinance emerged as an alternative source of it. Microfinance is a developing tool to mainly alleviate poverty, gives quick, tangible results to the poor people especially rural poor women. To eliminate social evils like poverty and all from the society empowerment of women through microfinance is deemed to be one of the rays of hope. Similarly most of the beneficiaries of microfinance's are women, so it is very crucial to understand the impact of microfinance's after facing the hazard , the curse for human civilization Covid 19 pandemic. In view of this the paper makes an attempt to study about the impact of microfinance on rural poor women empowerment in post-Covid scenario in Jorhat district of Assam.

KEYWORDS: Rural Development, Women, Microfinance, Covid

INTRODUCTION:

India is the second largest populous country in the world and more than half of its population lives in rural areas. In the developing countries like in India, rural development is always been an important issue related to country's economic progress. As we all know that India cannot shine without shining of its rural areas. Starting from the wordings of nation's father Mahatma Gandhi to India's current incumbent Prime Minister Narendra Modi, everyone has advocated for the upliftment of rural areas of country's holistic progress. The aspiration for self-reliant development at village level began with the Gandhian model of swaraj. Our late president APJ Abdul Kalam missile man had his own model called providing urban Amenities in rural areas (PURA). In present context our Prime Minister Narendra Modi initiated a model which follows a cluster development design to create social, health, education, economic infrastructure across villages of India.

While the cities have grown immensely over the 20 years rural areas have not seen that kind of development. India is one of the rapidly urbanizing nations but still, the majority of the Indian population (68.8%) living in rural areas. I reflect the depth necessity of rural development for country's overall development.

When we talk about rural development, finance is an important contributor to it. It is best known as rural credit within the realm of rural development. With the changing times the concept of rural development also changes its strategies to achieve maximum level of development. From this point of view microfinance emerged as an alternative source of rural credit.

Yet in a developing country like India yet large proportions of those who need it, particularly women, do not have easy access to credit. To illustrate, while 46% of men around the world report having access to formal financial services, the figure is only only 37% for women. Women are the worst affected when comes to lack of access to financial services. Without access to formal financial services women have to rely on informal means to accumulate savings, grow a business, smoother consumption in case of income fluctuations or insure against emergencies. Microfinance can therefore, serve as a potential vehicle for female

empowerment in many ways. Microfinance has been quite successful in bringing formal financial services to the poor, particularly women. Yet; unfortunately the Covid-19 pandemic has struck at a time when microfinance is at its historical peak, with an estimated 139 million microfinance customers globally.

Covid-19 includes a new chapter in human civilization, the devastating pandemic, which led to a dramatic change of human life and presents an unprecedented challenge to all fields in the human society. In contemporary times, development, women empowerment through various sources like microfinance's etc are the some debatable topics in social sciences. Covid-19 put new rays to explore the things in a different way. Even though every studies in social sciences or any other field to analyze and explore things before this pandemic. If we add the Covid 19 factor to analyze and explore new dimensions in social science research studies then it will definitely bring a new horizon in the field of research. However, the current studies focused on women's empowerment during covid-19 pandemic. Everything has its aftershocks and effects. This is not exceptional in the case of Covid-19 also. So, the objective of this research study is to investigate the relative impact of microfinance on women's empowerment after the Covid-19 pandemic. The paper presents a case study developed using a mixed focuses on how microfinance's has played its role to alleviate inequality, the relationship between microfinance and women empowerment, how microfinance helped to encourage rural women to entrepreneurial work and overall the positive aspects of microfinance on women empowerment. We are all well aware of how the COVID-19 global crisis methods approach including literature review and quantitative data collected through 100 women of different villages (8 villages) of Jorhat district. Every existing study mainly has affected the structural fabric of every aspects of our society. However, each of these existing literatures lacks studies on the limitations of microfinance's, how it works, their knowledge regarding debt in providing loans to those rural women, the need to study women's behavior before after receiving loans, their attitudes towards the repayment of loan installments. Since Covid19 which is a recent worldwide terror for human civilization which touches every aspect of our society. Microfinances and women empowerment are not stays outside of its scope. Moreover, a very few studies have been done on women empowerment through microfinance in the post devastation of covid-19. I hope the addition will give a new dimension to study of microfinance and its impact on women empowerment which is already widespread in society.

OBJECTIVE OF THE STUDY:

- 1) To understand the impact of of microfinance on rural women empowerment
- 2) To study the impact of post-covid period
- 3) To investigate the relationship between rural credit through microfinance and women empowerment after covid pandemic

RESEARCH METHODOLOGY:

Research methodology gives an organized look to any research work. It is the initial stage to undertake any research.

RESEARCH DESIGN:

Research design sets out a specific set of details of a research work. A research design should include the following: Sample size, sample design, sampling strategy, the frame of analysis, time frame etc. The present study undertook descriptive survey method.

STUDY AREA:

The present study was conducted under Jorhat district of Assam. Specifically selected five villages of Jorhat district of Assam.

SAMPLE SIZE:

Sample size determination is the process of choosing the right number of observations or people from a larger group to use in a sample. This is the sub-population to be studied in order to make a reference population. The sample size for the present study is 80 rural women randomly.

SAMPLE TECHNIQUE:

For this study purposive sample technique was used to collect data.

METHODS OF DATA COLLECTION:

PRIMARY SOURCES OF DATA COLLECTION:

In this process, the data collected is assembling data for the first time, directly from the main sources. For this study primary data collected through:

INTERVIEW: To collect data for the study, direct interviews have taken from the respondents

OBSERVATION: Data also collected by observing the respondents.

SECONDARY SOURCES OF DATA COLLECTION:

Secondary data is collected by someone else from the existing data already collected by others. In this study secondary data are gathered from research papers, websites and various reports.

LIMITATION OF THE STUDY:

The study targeted only rural women and restricted only a particular district (Jorhat).

LITERATURE REVIEW

Count, Alex. (1996) provides a powerful, poignant glimpse into the real world of microfinance. From the well told stories, we learn that the success of Grameen, microfinance is not just having innovative businesses model or good intentions. It also shows how microfinance can play a critical role in reducing scourge of inequality by enabling underprivileged people to participate creatively in the global economy. It provides a strong knowledge base, theoretical understanding for microfinance.

Neogi, Chrinjib ;(2017) offers a critical perspective on the issues related to women's empowerment, microfinance and entrepreneurship in India. It highlights women empowerment which is a process of entrusting power to an individual on the control over resources, decisions also highlighting the discrimination against women entrepreneurs in access to credit led to gender biased entrepreneurial society.

Sarm, Kumar, Gopal ;(2013) Reveals the outreach of microfinance has been increased i.e. increasing the number of active borrowers .MFI's attained self financing. Microfinance leads to increased consumption, reduces inequality.

Jain, Sweety ;(2022) provides a better understanding regarding the different attributes of women empowerment in current scenario. Also it includes problems faced by women,

government initiatives through different schemes and mainly emphasized that how education plays a key role in women empowerment.

Khursheed, Ambreen ;(2022) analyze that how microfinance plays a dominant role to motivate and enhance entrepreneurial activities in any country. It examines the efficiency of microfinance in empowering women and revealed that how microfinance is an effective tool that can contribute to the development of women's empowerment. It highlights that microfinance creates a positive, influential impact on rural women.

Thapa, Singh, Bharat; Chowdhary Supriya ;(2022) emphasis that microfinance is a powerful instrument for empowering women socially and economically. Government has put in place various microfinance programmes and policies providing increased access to financial credit facilities.

Pathak,Rashmi;Mishra,Kumar,Ashok,Dr;(2022)argues that there is a significant shift in the development programmes and approaches that entail women to acquire control over themselves, their resources and take their own decisions.NGO's,SHG's all organizations facing enormous issues in women empowerment.

Baruah, Inameeka; Bora, Mayuri; Deka, Baruah, Manoshi ;(2022) showed that the rural women belonged to the medium socio-economic status. It also gives highlights that how rural credit through microfinances,the beneficiaries engaged in income generating activities,recognised microfinance has been instrumental in empowering the women.

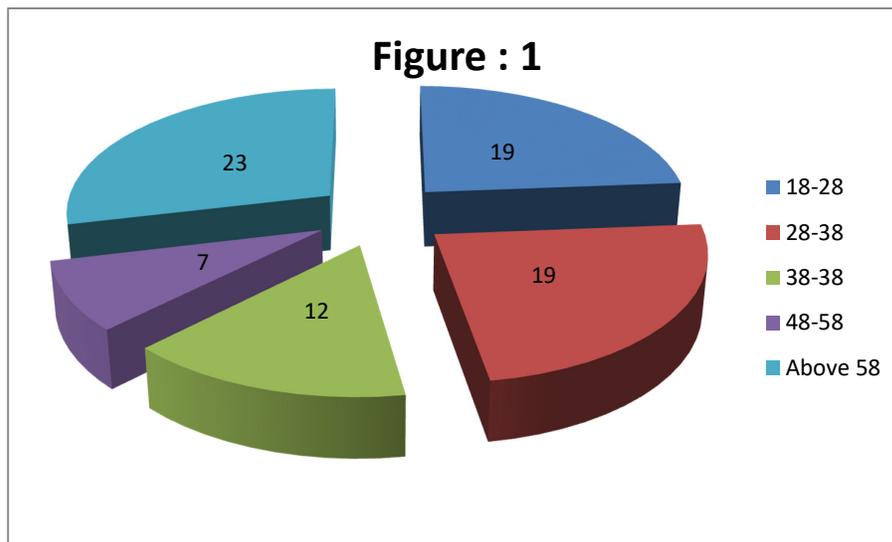
Trivedi, Hiral, Ms; Raval, Naishal, Dr ;(2022) reveals that how covid-19 had impacted on microfinance model of India through SHG's.Also it provided the platform to digital transaction.

DEMOGRAPHIC PROFILE OF RESPONDENTS:

TABLE 1: AGE WISE POSITION OF RESPONDENTS

Sl No	Age group	No
1	18-28	19

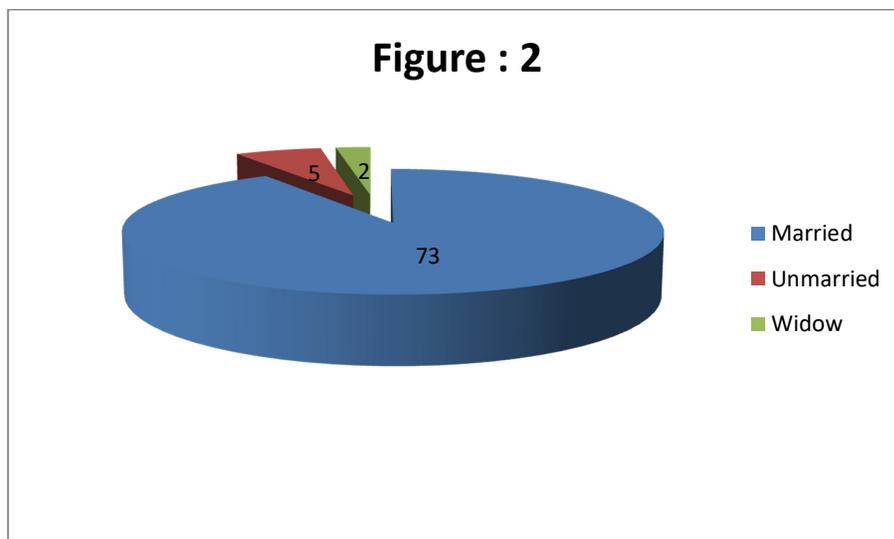
2	28-38	19
3	38-38	12
4	48-58	7
5	Above 58	23



The data shows about the respondents belong to different age group. Firstly the age group contains 19 respondents. Second one consists of again 19. Thirdly 12 respondents are in the third group. Fourth group contains only 7 respondents which is the lowest one. Last group consist of 23 respondents.

TABLE 2: MARITAL STATUS OF WOMEN

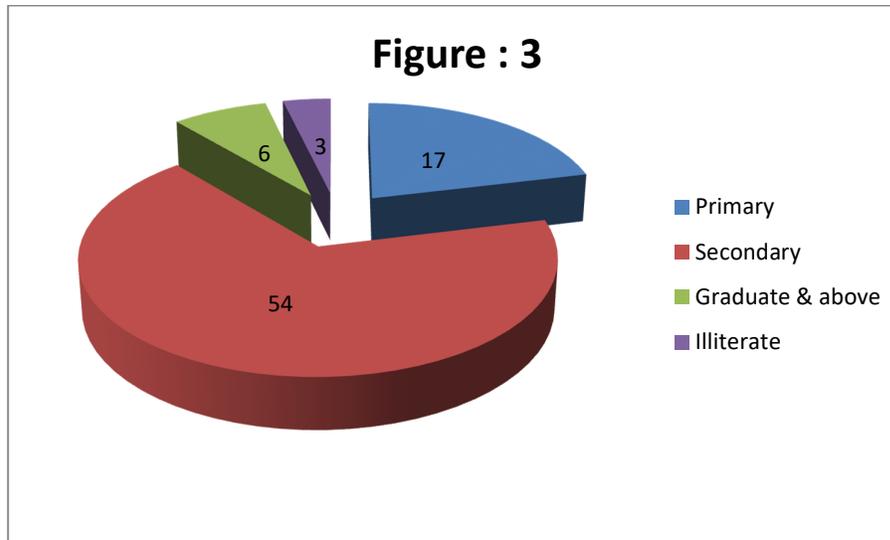
Status	No
Married	73
Unmarried	5
Widow	2



The above stated data reveals that maximum no of respondents are married and the no is 73. Then 5 respondents are unmarried and lastly 2 respondent belongs to widow category.

TABLE 3: EDUCATIONAL STATUS OF RESPONDENTS

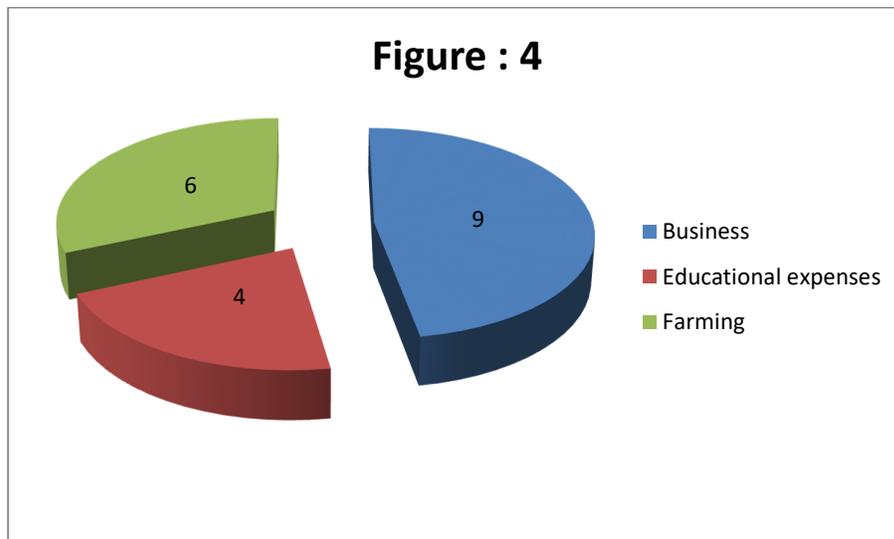
Status	No
Primary	17
Secondary	54
Graduate & above	6
Illiterate	3



The above mentioned data talks about the educational qualifications of the respondents. So, as per data it is clear that most of the respondents come from the secondary level. It means that maximum respondents are having secondary education. Then followed by primary education, graduation and lastly above graduation.

TABLE 4: NATURE OF MICROFINANCE

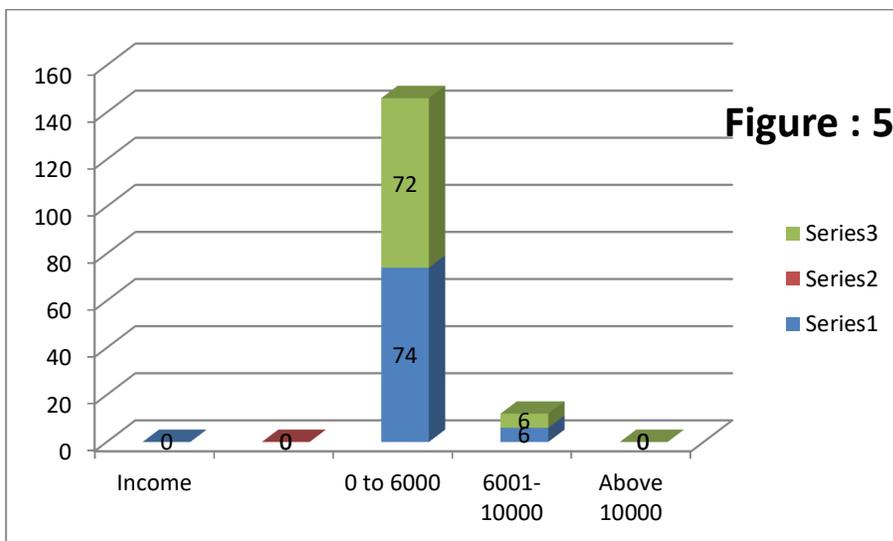
SI No	Nature of microfinance	No of respondents
1	Business	9
2	Educational expenses	4
3	Farming	6



The data shows the nature of different microfinance groups. Maximum microfinance groups mainly associated with business related activities. Secondly some of them are by nature related with farming and lastly among them some provide educational assistance.

TABLE 5: INCOME LEVEL OF RESPONDENTS

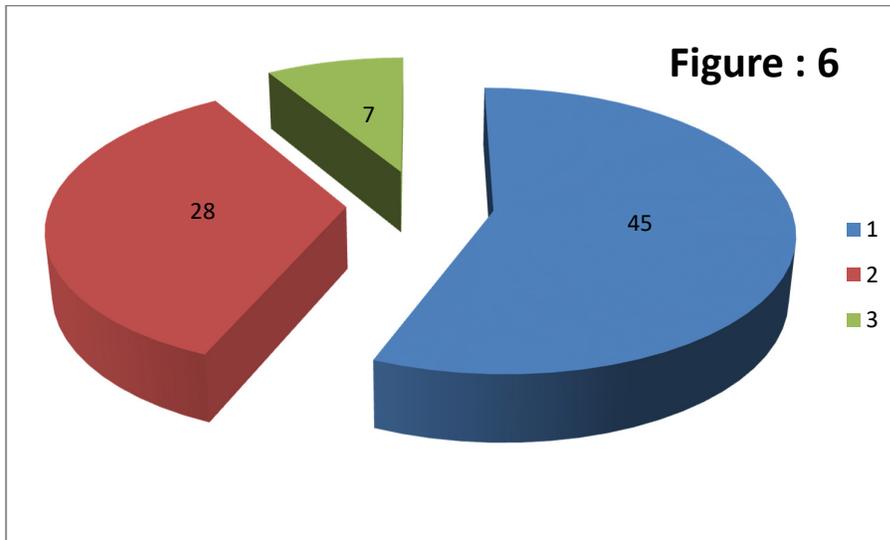
Sl No	Income	No of respondents	
		Before Covid	After Covid
1	0 to 6000	74	72
2	6001-10000	6	6
3	Above 10000	0	0



Regarding the income level of respondents, before Covid 74 respondents earned within 6000. After the Covid the rate is quite same. Then in terms of the income level between 6001-10000 only 6 respondents earned within 10000. The rate remains the same after the pandemic. Nobody earns above 10000 before and after the covid.

TABLE 6: AMOUNT OF LOAN TAKEN BY THE RESPONDENTS

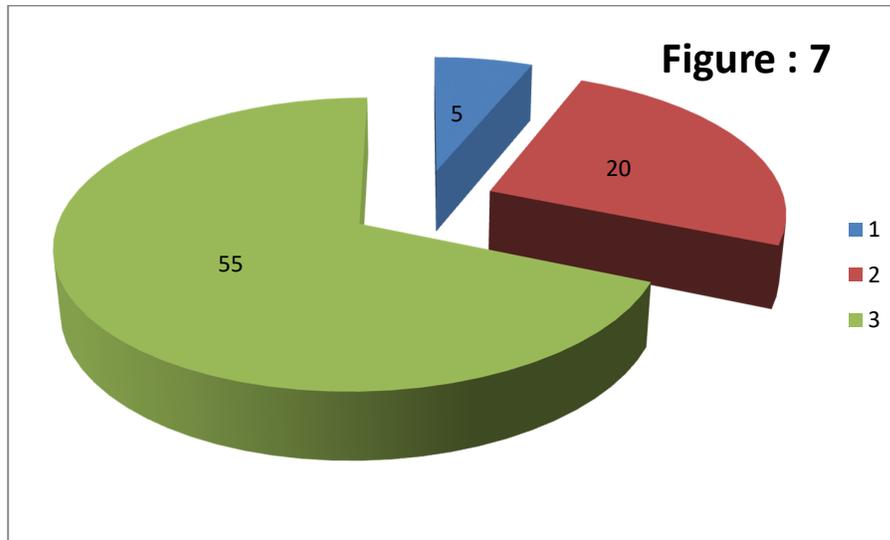
Loan amount	No of respondents	
	Before Covid	After Covid
10000-50000	45	25
50000-100000	28	10
100000 & above	7	1



As the data depicts that before the pandemic 45 respondents took loans between 10000-50000. After the pandemic only 25 respondents do the same. Then regarding the loan amount of between 50000-100000 before the covid 28 respondents took loans. After the covid the rate is decline and it contains only 10. Lastly, before the pandemic 7 respondents taken loans above 100000 but when the pandemic is over only 1 respondent took loan from this level.

TABLE 7: PERCENTAGE OF RESPONDENT’S INVESTED LOAN IN DIFFERENT FIELDS

Name of the field	No of respondents	
	Before Covid	After Covid
Education	5	2
Farming	20	15
Business	55	50



Regarding the PERCENTAGE OF RESPONDENT'S INVESTED LOAN IN DIFFERENT FIELDS, firstly in before covid 5 respondents invested their loan amount in education sector. After it, only 2 respondents interested to invest the money in the education. Then, in farming sector before covid 20 respondents invest the loan amount in it. After the pandemic the rate is declined and only 15 respondents used their loan in farming. Lastly, it is noticeable that among the three categories before and after the covid maximum no of respondents always invest their loan amount in business activities. Before the pandemic the rate 55 and after the pandemic it is 50.

TABLE NO 8: NAME OF WORKING MICROFINANCE COMPANIES WITH NO OF CLIENTS

Name of Microfinance Company	No of clients	
	Before Covid	After Covid
ASA International India	15	5
North East Small Finance	40	25
Arohan	45	20
Ujjivan Small Finance	20	8

Bandhan	80	75
Jana Small Finance	45	22
Satin Creditcare	20	11

From the above stated table it is clear that in the study area there are several microfinance's are exist. Bandahn(now recognized as a bank) having the the highest no of clients followed by Jana Small Finance, Aarohan, North East Small Finance, Satin Creditcare and ASA International India.

TABLE 9: NO OF PEOPLE BENEFITTED FROM MICROFINANCE'S

Name of the microfinance	No of women achieving empowerment	
	Before Covid (in)	After Covid (in)
ASA International India	12	2
North East Small Finance	25	8
Arohan	35	10
Ujjivan Small Finance	15	5
Bandhan	76	65
Jana Small Finance	23	5
Satin Creditcare	8	3

As the data mentioned that Bandhan emerged as the most successful one from the list in terms of achieving women empowerment.

FINDINGS:

1. The majority members (28.75%) of different microfinance companies are belongs to the age group of 58 & above and married.

2. Before and after the pandemic Microfinance is maximum used by the respondents for business related works.
3. Most of the women who taking loan from different microfinance's, they have only
4. From the study it is clear that Bandhan microfinance has the cent percent clients and proved itself as the most trustable microfinance among rural poor women.
5. after the pandemic microfinance's lost their clients

SUGGESTIONS:

1. Several microfinance are not running with their actual moto.The rate of interest on loans are very high. So they should reduce their amount of interest.
2. After the pandemic almost every existing microfinance companies lost their clients, so to received earlier status and fill up their lost they should modified their recovery approach.
3. Microfinances should provide training and awareness campaigning to improve women's entrepreneurial strength.

CONCLUSION:

There is no doubt that microfinance in present time recognized as a successful tool to increase women empowerment especially in case of rural poor women. It is not only related to entrepreneurial activities but also provided a great opportunities to rural poor women to come forward and make their own identity through self dependency. Amnog these all things, most of the it is thinks that Covid pandemic hits women empowerment very badly. Now in 2023 after facing the devastating Covid pandemic period, it is very essential to study about the impacts of this pandemic with a holistic outlook. In other words we can say the need of the hour. Because it will definitely put a new dimension and reveal different perspectives in social sciences.

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