

MICRO FINANCE AND EMPOWERMENT OF WOMEN: AN EMPERICAL STUDY ON SHG-BANKING LINKAGE PROGRAMME

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ABSTRACT

Micro Finance is emerging as a powerful tool for poverty alleviation in the economy. In India, Micro finance scene is dominated by SHG-Bank linkage programme as a cost effective mechanism for providing financial services to the 'unreached poor'. The Programme has been successful not only in meeting financial needs of the rural poor women but also strengthen the collective self help capacities of the poor, leading to their empowerment. Rapid progress in SHG formation has now trusted into an effective movement among women across the country. Micro finance is necessary to overcome exploitation create confidence for economic self reliance of the rural poor, particularly among rural women who are mostly invisible in the social structure.

This study attempts to explore on the much debated question about the role of SHG as a financial intermediary for enhancing women empowerment. A primary sample study has been carried out to capture the realistic experiences and observations from the beneficiaries of SHG (under SGSY) of Nagaon Districts of Assam and most particularly the Lumding Development Block and Udali Development Block. The empirical findings of the study suggest that SHG-Bank Linkage of micro finance programme has a profound influence on the economic status, decision making power, knowledge & self worthiness of women participants of SHG linkage programme in Assam. The micro finances related loan ailment and its productive utilization found to be causing significant differences in women empowerment levels, analyzed through different statistical tools (Parametric and non-parametric test) from the data so far collected from the sample study. However, it is found effective in graduating the poor and also have economic, social and psychological impact on women empowerment. In fine, it is concluded that the SHGs has a positive impact on women empowerment in the state. An effort is also made to suggest the ways to increase women empowerment.

Key Words: *Micro Finance, Women Empowerment, Self Help Groups, Socio-economic Empowerment.*

INTRODUCTION

Micro finance through Self Help Group (SHG) has been recognized internationally as the modern tool to combat poverty and for rural development. Micro finance and SHGs are effective in reducing poverty, empowering women, creating awareness and ensure sustainability of environment which finally results in sustainable development of the nation.

Poverty can be eradicated only by employment opportunities and the employment seeker and worker should become a job

provider and it is possible through micro finance coupled with micro enterprises. Empowerment of women through Micro Finance benefits individual women, her family and the community as a whole through collective action for development.

Self help groups (SHGs) have emerged as popular method of working with people in recent years. This movement comes from the people's desires to meet their needs and determine their own destinies through the principle "by the people, for the people and of the people". SHGs in social change imply not only the change of outer form of a community or a society but also in the social institutions as well as ideas of the people living in that society. In other words, it also applies to the changes in the material aspects of life as well as in the ideas, values and attitudes of the people.

Women comprise half of human resources. They have been identified as key agents of sustainable development and women's equality is as central to a more holistic approach towards destabilizing new patterns and process of development that are sustainable^[1]. Women as entrepreneurs have become an integral part of national development planning and strategies^[2]. The contribution of women and their role in the family as well as in the economic development and social transformation are pivotal. This fact is ignored to some extent in the developing economy and in the development planning in India too which resulted gender discrimination which corroborates the fact that India's position in respect of Gender Related Index. According to UNDP-HDR, 1997 gender disparity can be seen through the lens of the Gender Related Development Index and Gender Empowerment Measure. India's position is too low in the world and consequently, the GOI, under 9th Plan some specific strategies were adopted for women empowerment^[3]. It is reported from a study that women constitute 90 per cent of total marginal workers of the country. Rural women who are engaged in agriculture form 78 per cent of all women in regular work^[4]. Therefore, to cover up this segment of population, constant efforts should be taken to provide the benefits of planned development. Consequently for achieving the goal of women empowerment government was widely accepted the SHG-Bank Linkage Micro Finance Programme in 2001 and ultimately Govt established Rashtriya Mahila Kosh, Indira Mahila Yojana etc to focus on promoting women SHGs.

Now how far the working of SHG-Bank Linkage Programme is successful in empowering the women is yet a matter of debatable question.

REVIEW OF LITERATURE

A lot of evaluation studies were made to identify the impact of micro finance and SHGs on women empowerment in the country. Some of the important evaluation studies are incorporated in this paper to access the role of SHGs in women empowerment.

Micro finance has evolved over the past quarter century across India into various operating forms and found varying degree of success^[5]. One such form of Micro Finance has been the development of the self help movement. Based on the concept of 'Self Help' small groups of women have formed into groups and operate a 'savings first business model' where by the members' savings are used to fund loans. The results from these SHGs are promising and have become a focus of intense examinations as it is proving to be an effective method of poverty reduction.

SHGs can make women contribute to economy. It has changed the lives of many in India. Group Power has been found to be patent force in giving collective empowerment & voice to the poor women in rural areas, but has not necessarily empowered them beyond the confines of patriarchy (Smita G.Sabhlok, 2006^[6]). There is a long way to go before re-orientation of power relationships both in the household and at the societal level. Therefore, empowerment of poor rural women will be possible only if they are trained and imparted skills for a certain employment. (S. Sundari, and N. Geetha, 2000^[7]).

National Commission for Women, New Delhi (2004^[8]) reveals that 30% of the household reported increase in assets after joining SHG mainly in Rajasthan and Tamil Nadu. Wadiniale, Saroj M (2004^[9]) reported that slum women empowered by saving credit programme in Baroda city. The study also reported that SHG programme has increase in monthly household income, 66% women converted their houses into permanent structure and many positive impact on health, social and cultural values. Further, a few studies (Wadiniale, Saroj M 2004 and Shing, 2011^[10]) reveals that there was a drastic change in social status of women after joining the programme and articulated SHG programme as a change agents for social and economic empowerment of rural poor particularly women. Bokil, Milind (2005^[11]) reported that SHGs were the best place to address the issues of domestic violence and also forwarded arbitration in domestic quarrels and disputes, counseling, facilitation of legal action and also provide moral and motivational support to the victim. Mukerjee (2006^[12]) reported that SHGs have positive impact on economic, political, household decision making and awareness level of the members with respect to social and health issues. Meher (2003^[13]) and Ravi & Venkataramana (2002^[14]) reported that SHGs have a positive impact on elimination of poverty and act as an instrument for empowerment of women through economic intervention. Siwa, B R (2008^[15]) reported that the kudumbashree initiative of the Govt of Kerala have positive impact on economic empowerment and development of micro enterprise development among the rural women. Gurumoorthy (2002^[16]) reported that have the power to create a social- economic revolution in the rural areas of the country and can act as an important tool for socio-economic empowerment of the poor, particularly women (Roy, S.2011^[17]). It is also reported that the members of SHGs are prepared to undertake entrepreneurial activities at a smaller level with minimum capital requirements (J.M.Arul Kamaraj, 2005^[18]) and can promote self employment

opportunities to the rural women (N. Manimekalai and G. Rajeswari 2000¹⁹). Manimekalai and Rajeswari reported that women SHG members who took up their own enterprise were contributing more than 50% of their earnings to the households in Andhra Pradesh. Further National Institute of Rural Development on SHG in 2004²⁰ reported that about 25% of members of SHGs have taken micro enterprises and generated income of more than Rupees 1000/1500 p.m. The study further reveals that about 85% of the members have awareness about various programmes and activities of health, education, water and sanitation and legal rights. Moreover, more than 82% of the members reported that they are sending to their kid to school and hence, the members of SHG are both socially and economically independent after joining SHGs. Pati and Benjamin (2011²¹) reported that micro finance through SHGs has had a positive impact on income, expenditure and savings of the women clients in Meghalaya. The same observation is also revealed by Aruna & Jyothirmayi (2011²²) in case of Hyderabad and also reported considerable improvement in self worthiness and decision making level of women members because of participation. Meetei (2011²³) reported that micro finance through SHGs promoting during the last 10 years in Manipur increases average monthly income earning capacity and in turn saving capacity and effective productivity of SHG members and have ensured better economic life of rural women in Manipur. Centre for Micro Finance & Livelihood, 2009²⁴ in a survey in Arunachal Pradesh reported that though the Micro finance through SHGs have a positive impact but due to low population density, lack of information and training etc the progress of the movement is not up to the mark. Rajendra, K and Raya, R.P (2010²⁵) reported that the micro finance through SHG have brought higher psychological and social empowerment than economic empowerment. The study reveals that there is a definite improvement of managerial skills, psychological well being and social empowerment among rural women as a result of participating in SHG linkage programme in Tamil Nadu. Finally, APMAS (2009²⁶) reported that SHG programme in the state of Assam resulted significant social and economic benefits and categorically mentioned that 75% of the group members has experienced increase in saving habits and increase in income, increase in access to formal credit and decline in family debts etc. All together, these studies can be categorized as below.

Micro Finance through SHGs is an important tool for socio-economic empowerment of the poor, particularly women (Roy, S 2011²⁷). It is viewed that the movement of SHGs will transform through a process of transformation of individual selves & their empowerment from 'disempowerment' (Harriss, John 2007²⁸). A large number of evaluation studies reported that after the onset of SHGs, women had better access to assets & resources, developed better leadership skills, awareness regarding health and education aspects, communication skills, and improved financial literacy among women and were able to tackle the issue of injustice and family violence (Reddy, 2002²⁹, Ramesh, 2004³⁰).

The role of micro-credit is to, improve the socio and economic development of women and improve the status of women in households and communities. To highlight the true picture of micro finance under its two different models in the field of women's position a brief note here followed with the data relating to the state of micro finance in India.

Some empirical studies have supported the claims of micro finance programmes and measured the economic and social gains of participation in the programme, at the household or individual or enterprise level.³¹ Some studies have contested the claims of the micro finance programmes and cautioned that there exists a trade-off between outreach and sustainability³². While some studies have estimated the beneficial impacts of microfinance programmes but argued that microfinance programmes largely exclude the poorest³³.

Further, sixty nine studies covering microfinance operations of NGOs and women's self help groups were reviewed from India³⁴ which reveals following facts—

Outreach to the poor: The studies showed that outreach to the ultra poor needs careful targeting, combined with welfare programmes. (Burra et al, 2005; Prameela and Premchander, 2007)³⁵

Role of Women's Own Savings: Savings play an important role in meeting the financial requirement of women, and when retained with women's groups also give them more financial and social capital than credit taken from external sources. (Solution Exchange, 2007)³⁶.

Positive Impacts: Several MF impact studies showed that there is increase in savings, assets, higher expenditure on food, improvement in nutrition and education; as well as positional changes such as increased self-confidence and improved position within the family and increased participation at the community level (Premchander and Prameela 2007, ACF, 2005, Burra et al 2005, Collective Action for Social Advancement, 2006)³⁷. Microfinance helped SHG to increase reduce their dependence on money lenders their confidence levels, self respect and decision making power (Singh, 2006, Srinivasan, 2006, Premchander and Prameela 2007)³⁸.

Negative Impacts: Recently negative impacts have been documented and analyzed, e.g. borrower suicides, humiliation faced by microfinance clients and increased indebtedness (Rajashekar, 2007, Shylendra 2006)³⁹. Factors leading to these remain inadequately analysed.

Now a day's economic development is one of the factors that have changed the entire scenario of social & cultural environment within the country especially for the women. The rural women are engaged in small scale entrepreneurship programme with the help of SHGs.

It is observed from the survey of literature that Micro Finance and SHGs are directly or indirectly empower the women folk of the country. It is further observed that in the NER of India, only a few studies were conducted to evaluate the role of

micro finance through SHGs with respect to women empowerment. However, from the survey of existing literature, it is observed from each and every study that SHGs were basically initiated to empower women economically and through self employment activities. These groups were also considered as a viable alternative for women to take up entrepreneurial activities with the help of micro credit. Moreover, each and every evaluation study cited in this segment reported the positive effects of micro finance through SHGs, in empowering the women flock of the country.

OBJECTIVES:

The study is undertaken with the following objectives.

1. To get an insight about the conceptual and functional framework of Self Help Group;
2. To appraise the workings and role of SHGs;
3. To identify the attitudes of members of SHGs;
4. To evaluate the benefits derived by the members of SHGs and to access the degree of upliftment in the socio-economic status of SHGs and its members;
5. To analyze the relationship between different variables of socio-economic empowerment of women members of SHGs;
6. To make suitable conclusion based on the findings of the study.

METHODGLOY:

In fact this research study is an empirical analysis on the SHG-bank linkage programme and their role in socio-economic empowerment particularly women. In this study simple random sampling technique is used covering 200 SHG members from 15 SHGs (each) in the Lunding Development Block and Udali development Block of the Nagaon districts of Assam. These two development blocks are selected from 18 Development of the districts on convenience sampling method. The members of SHGs (only those who passed Grade I and operating more than 3 yrs) were selected randomly and interviewed with a well structured questionnaire during 2009-10. In fact, the study is limited to two Development Blocks of Nagaon Districts of Assam. The data so collected through supplying questionnaire to the informants are coded, edited, tabulated and presented in the from of tables, mostly two-way, in a systematic manner to enable purposeful analysis & for drawing meaningful interpretation. The data are analyzed by calculating

percentages and statistical techniques such as Arithmetic Mean, Standard Deviations, Karl Pearson’s co-efficient of correlation, ANOVA, T-Test, Likert’s scale and Friedman’s Test.

ANALYSIS AND INTERPRETATION OF DATA:

Socio-economic profile of the respondents:

The respondents of the study mainly belong to the age group of 30-40 yrs as 60.5% of the respondents belong to that group. The respondents in the study cover all sections of society wherein representation of Hindu (64%), Muslims (35%) and Christian (1%) are ensured. Moreover, out of 200 respondents 94 belong to general caste, 65 belong to SC community, 12 belong to ST and 29 belong to OBC and MOBC. Further, 67% of the respondents have completed I-V standard category of education level. Moreover, majority of the respondents are married and they live in nuclear family. The duration of membership of the respondents varies from 3 years to 8 years. However, 47 % of the respondents are members for a period of 5 years, 33.5% for a period of 6 yrs and respondents belonging to 3 yrs and 4 yrs category are insignificant.

Factors Influencing SHG Members

A) Borrowings from Various Funds and Age Groups:

The study proceeds to find out what factors influences their membership in SHGs, which is analyzed by considering their borrowings from various funds. It is observed that age and educational level of SHG members are the main factors influences the borrowings. Again efforts are also made to find out the relation between age of SHG members and borrowing of funds, and between level of education and borrowing of funds. One way ANOVA is used for comparing the average borrowings and different age groups and again, average borrowings and educational level. From Table 1 below, it is observed that an average internal fund borrowing by respondents of up to 30 years is ‘10833. The age group 30-40 yrs, it is ‘12087, and for the age group 40-50 yrs it is ‘9892. Hence it is observed that the age group belonging to 30-40 shows the maximum amount of borrowing recipients from internal funds. Again, it is observed that the average borrowing from revolving funds for age group 30-40 is highest in comparison to other age groups.

To find out whether the difference in average borrowings from internal funds and revolving funds is significant as between various groups, ‘f’ Test is applied and the result of which is tabulated below Table -2

Table 1. Average Borrowings by Respondents as between various Age Groups

Age	Internal Funds			Revolving Funds		
	No. of Respondents	Mean	Standard Deviation	No. of Respondents	Mean	Standard Deviation
Up to 30 yrs	52	10833.65	4259.21	14	2714.29	468.81
30-40	121	12087.52	6378.20	59	2859.32	371.91
40-50	27	9892.59	4302.50	14	2859.14	363.14
Total	200	11465.20	5681.07	87	2835.63	386.40

Source: Primary Data

Table 2. ANOVA Test for Age and Borrowings

	Internal Fund				Revolving Fund			
	Dof	Mean Square	F value	Sig.	Dof	Mean Square	F value	Sig.
Between Groups	2	67187505.76	2.105	0.125	2	122869.39	0.820	0.444
Within Groups	197	31920098.38			84	149926.21		
Total	199				86			

Source: Own Computation

From the Table 2, it is observed that the ‘f’ value is 2.105 and the corresponding significance value is 0.125. It is thus concluded that there is no significant difference in the average borrowings from internal funds as between various age group of the respondents. Again, in respect of borrowing from revolving fund the same inference can also be forwarded as it is observed that the ‘f’ value is 0.820 and the corresponding significant value is 0.444. Therefore, it is concluded that there is no significant difference in the borrowings from different funds as between the various age groups of the respondents.

B) Borrowings from Various Funds and Educational Levels:

To find out whether educational qualification influences borrowing from various funds, below descriptive statistics are forwarded. From the Table 3, it is observed that the average internal fund borrowings by respondents having ‘No formal education’ is `11728.95 and for ‘Class1-5’, it is `12012 and so on. Similarly, for revolving fund it is `2928.57 (‘No formal education’) and `2909.10 (‘Class1-5’) and so on. It is observed that the maximum average borrowing from internal fund is found in the educational level of ‘Class1-5’ and the same is found in the group of ‘No formal education’ in case of the revolving fund.

From the ANOVA Test (Table 4), it is observed that the ‘f’ value in case of Internal fund is 0.374 and the corresponding significance value is 0.772 (p>0.05). Again, the ‘f’ value in case of revolving fund is 1.020 and the corresponding significance value is 0.388 (p>0.05). Thus it is concluded that there is no significant difference in the average borrowings from internal funds and revolving fund as between various educational levels of the respondents. It is therefore concluded that education is not an influencing factor as regards borrowings either from internal and revolving funds.

C) Income and Expenditures of SHG Members:

To find out whether the SHG membership has influenced the income and expenditure of the respondents and their families, the following descriptive statistics are used to forward meaningful inferences. Paired ‘t’ Test is used for comparing the family income of the respondents income, food expenditure before and after SHG membership etc. From Table 5, it is observed that the average family income before joining SHGs is `3849.5, while the average family income after joining SHGs is `9276.50. Nearly a three time increase is observed due to their participation in SHGs.

Table 3. Average Borrowings by Respondents as between various Educational Levels

Educational Levels	Internal Fund			Revolving Funds		
	No. of Respondents	Mean	Standard Deviations	No. of Respondents	Mean	Standard Deviations
No Formal Education	19	11728.95	2861.40	14	2928.57	267.26
Class 1-5	45	12012.00	3785.71	22	2909.10	294.24
Class 6-10	134	11288.43	6479.36	50	2774.00	443.46
Class11 and above	2	8500.00	4949.75	1	2700.00	*
Total	200	11465.20	5681.67	87	2835.63	386.39

Source: Primary Data

Table 4. ANOVA Test for Educational Levels and Borrowings

	Internal Fund				Revolving Fund			
	Dof	Mean Square	F value	Sig.	Dof	Mean Square	F value	Sig.
Between Groups	3	12182707.39	0.374	0.772	3	152195.66	1.020	0.388
Within Groups	196	32582672.81			83	149195.21		
Total	199				86			

Source: Own Computation

Table 5. Family income before and after Joining SHGs

Family Income	No. of Respondents	Mean	Standard Deviation
Before Joining SHGs	200	3849.5	3140.46
After Joining SHGs	200	9276.5	6265.33

Source: Primary Data

From the Paired ‘t’ Test (Table 6), it is observed that ‘t’ value is 11.24 and the corresponding significant value is 0 (p<0.05). It is concluded that there is a significant difference between the family income before joining SHGs and after joining SHGs. There is an average increase of `5427 in the family income of respondents after joining SHG.

It is further observed from Table 7 that the average income of respondents before joining SHGs is `450.20, while the average income after joining SHGs is `1367.16. This implies that there is a three fold increase in average income of the respondents because of SHG membership.

Further, it is observed from the Table 8 that the average food expenditure before joining SHG is `1151.32, while the average food expenditure after joining SHG membership is `1980.30. This means that the average food expenditure has increased 12 % due to their participation in SHGs. Again, it is observed that the average non-food expenditures before joining SHG membership are `1594.05, while the average non-food expenditures after joining SHG are `2478.70. This indicates that the average non-food expenditure has also increased by 55 % due to their participation in SHGs.

D) Nature of Family and Borrowings:

To find out the relationship between the nature/ types of family and borrowings from various funds following descriptive statistics are resorted to draw meaningful inferences. It is observed from the Table 9 that average amount of borrowings from internal funds by respondents from nuclear family is `11631.98 while for the respondents from joint family, it is found to be `10621.21. Again, average amount of borrowings from External Credit with subsidy by respondents from nuclear family is `14712.40, while for the respondents from joint family, it is found to be `15918.33.

Further, to find out whether the difference between relationship between the nature/ types of family and borrowings from various funds is statistically significant, it is tested by ‘t’ Test as noted below. (Table 10)

It is observed that ‘t’ value is 0.585 and the corresponding significance value is 0.562 which is greater than 0.05. Thus, it is concluded that there is no significant difference in the average borrowing from different funds.

Table 6. Paired ‘t’ Test for difference in family income before and after joining SHGs.

Family Income	Mean	Standard Deviation	T value	dof	Sig. (Two tailed)
Before and after joining SHGs	5427	6829.78	11.24	199	0

Source: Own Computation

Table 7. Respondent’s income before and after Joining SHGs.

Respondents Income	No. of Respondents	Mean	Standard Deviation
Before Joining SHGs	155	450.20	320.97
After Joining SHGs	155	1367.16	1162.42

Source: Primary Data

Table 8. Food and Non-Food Expenditure before and after SHG membership

	Food Expenditure			Non-Food Expenditure		
	No. of Respondents	Mean	Standard Deviation	No. of Respondents	Mean	Standard Deviation
Before joining SHG	200	1151.33	550.85	200	1594.05	615.86
After joining SHG	200	1980.30	2099.22	200	2478.70	1761.91

Source: Primary Data

Table 9. Types of Family and Borrowings from Funds.

Types of Family	Internal Funds			External Credit with Subsidy		
	No. of Respondents	Mean	Standard Deviations	No. of Respondents	Mean	Standard Deviations
Nuclear Family	167	11631.98	4504.66	129	14712.40	2465.49
Joint Family	33	10621.21	9724.35	30	15918.33	2753.41

Source: Primary Data

Table 10. ‘T’ test for Type of Family and Borrowings from both internal and External Credit.

	‘F’ value	Sig.	‘T’ value	dof	Sig.(Two tailed)	Mean Difference
Equal variance assumed	4.727	0.031	0.934	1978	0.352	1010.76
Equal Variance not assumed			0.585	34.76	0.562	1010.76

Source: Own Computation

E) Motivating Factors to Join SHGs:

As to the motivating factors for joining SHGs, the respondents have been asked to assign rankings for various reasons. To find out overall rankings in the order of preferences, Friedman’s Test was conducted, the result of which is shown in Table 11

Table 11. Friedman’s Test Result for Motivating to Join SHG

Frequency	Mean Rank	Assigned Rank
Financial difficulties	2.98	3
Unemployment problem	3.16	4
Chance to use own talent	1.78	1
Other reasons	2.00	2
Significant Value	0.172	

Source: Own Computation

It is observed ‘chance to use talent’ is the primary reason to join SHGs followed by other reasons. Majority of the respondents have expressed the ‘urge to save while in SHG’ as the secondary reason. The third and fourth ranks are assigned to ‘financial difficulties’ and ‘unemployment problem’. The Friedman’s Test for the above indicated a significant value of 0.172 ($p > 0.05$) which implies that there is no significant differences in variations as between rankings of the respondents.

Table 12. Impact of micro finance through SHG.

Sl. Variables	Mean	Standard Deviation Rank
A. Psychological well being:	4.087	2
1 Improvements in Courage	4.23	0.603
2 Self confidence	4.22	0.561
3 Self worthiness	3.42	0.661
4 Skill development	4.14	0.588
5 Improvement in the literacy level	4.26	0.629
6 Awareness on children education	3.89	0.521
7 Awareness on health and sanitation	4.25	0.761
8 Awareness on food and nutrition	4.21	0.909
9 Awareness about the environment	4.17	0.836
10 Happiness and peace in the family	3.72	0.740
B. Economic improvements	3.85	3
11 Women are economically and socially empowered.	4.52	0.965
12 Micro finance reduces poverty	3.43	0.922
13 Women undertake Micro enterprise/ Income generating activity	4.29	0.794
14 Employment opportunities in rural areas	4.05	0.959
15 Creation of assets in rural areas	2.98	1.191
C. Social and Managerial aspects	4.094	1
16 Managerial abilities of women	4.02	0.768
17 Role in decision making	4.32	0.735
18 Groups management	4.12	0.667
19 Sustainability and cohesiveness of the groups	3.78	0.736
20 Awareness about trainings organized by NGO	4.07	1.089
21 Setting micro enterprises/Income generating activity	4.32	0.728
22 Participation in democratic institutions	4.06	0.949
23 Expressing opinions freely	3.68	0.745
24 Moving independently	4.48	0.647

Source: Primary data

F) Impact of SHG Membership:

Twenty four variables covering the impact of micro finance through SHG on psychological, economic and managerial aspects of rural women were identified. These variables are identified and selected from the survey of literature. The measurement was on Likert scale and scores were assigned for each statement. A high score of 5 was given to strongly agreed responses and low score of 1 was given to strongly disagreed statements. Analysis of the impact of SHGs on the psychological, economical and social well being i.e. empowerment is presented in the following table.

It is observed from the Table 12 that social and managerial aspects ranks first followed by psychological well being and than economic improvements. However, impacts on the different variables are self explanatory from their individual mean and standard deviation.

Further, to ascertain the impact of SHG membership on the income level, possession of assets and wealth, awareness on health and cultural values are presented in tabular form below (Under 3 Point Scale only) to draw conclusion about the respondent’s opinion in percentage. Table 13 indicates the opinion of the respondents on the increase in the income

level of the respondents.95.5% of the respondents have expressed ‘good satisfaction’ over the increase in income level after joining SHGs. 84.5% of the respondents have reported ‘good’ in the increase in assets and wealth after joining SHG. Further, 98.5 % of the respondents have expressed ‘good’ increase in awareness level on health, social and cultural values due to joining on SHGs. Moreover, 84.88% of the members of the SHG have expressed a ‘good’ improvement in their improvement in income, assets, standard of living of the members and increase awareness level on health, social and cultural values after joining SHGs.

Table 13. Impact of SHG Membership

Variables	No. of Respondents (P/C of Total)
a) Income Level	200 (100%)
Average	6 (3.00%)
Good	191(95.5%)
Very Good	3 (1.5%)
b) Assets and wealth	200 (100%)
Average	31 (15.5%)
Good	169 (84.5%)
Very Good	0
c) Awareness Level on Health, Social and Cultural Values	200 (100%)
Average	3 (1.5%)
Good	197 (98.5%)
Very Good	0
d) Standard of Living	200 (100%)
Average	78 (39%)
Good	122 (61%)
Very Good	0

Source: Primary Data

Therefore, it is concluded that there is a good improvement in income, assets and wealth, increase awareness level on health, social and cultural values, and standard of living of the respondents after joining SHG. Further, to ascertain whether education level plays an important role in this context. It is therefore, resorted to cross tabulation method to get a clear idea. The Table 14 shows that cent percent belonging to ‘No formal education’, 91.9% and cent percent belonging to ‘class 1-5’; 96.3% belonging to ‘ class 6-10’ and 100% belonging to ‘class 11 and above’ have expressed that there is a ‘good’ increase in income level because of joining SHG.

Lastly, in order to find out whether there is any significant correlation between education and level of satisfaction regarding the increase in income, increase in assets and wealth, and increase in awareness level on health, social and cultural values due to joining SHGs, Karl Pearson and Spearman Correlation co-efficient are obtained and the results are stated in Table 15. It is observed that there is significant relationship between the level of education and increase in the income level of the respondents since $p < 0.05$. Similarly, there is significant relationship between the level of education and increase in the assets and wealth of the respondents since $p < 0.05$. On the other hand, there is significant relationship between the level of education and increase in awareness level on health, social and cultural values of the respondents since $p < 0.05$.

CONCLUSIONS:

Thus, it is concluded from the analysis that the role of micro finance through SHG for women empowerment is praiseworthy. It is observed that educated middle aged women show keen interest in joining SHGs. The primary motive behind such is

Table 15. Correlation between Level of Education and Different Variables

Variables	Correlation Coefficient value	T value	Sig
Level of Education & Increase in Income			
Interval by Interval (Pearson’s)	0.445	3.386	0.035
Ordinal by Ordinal (Spearman)	0.441	3.857	0.041
Level of Education & Increase in Assets and wealth			
Interval by Interval (Pearson’s)	0.540	3.78	0.041
Ordinal by Ordinal (Spearman)	0.476	3.48	0.038
Level of Education & Awareness on Health, Social and Cultural Values			
Interval by Interval (Pearson’s)	0.614	5.4	0.034
Ordinal by Ordinal (Spearman)	0.521	5.14	0.041

Source: Own Computation

Table 14. Educational Levels and opinion about Increase in Income

Educational Levels	Average	Good	Very Good	Total
No Formal Education	0	19 (100%)		19 (100%)
Class 1-5	4 (8.9%)	41 (91.9%)		45 (100%)
Class 6-10	2 (1.5%)	129 (96.3%)	3 (2.2%)	134 (100%)
Class 11 and above		2 (100%)		2 (100%)
Total	6 (3.0%)	191 (95.5%)	3 (1.5%)	200 (100%)

Source: Own Computation

the 'chance to show their talents' and the urge to save money for future use. All members seem to borrow from the revolving and internal fund irrespective of the education level. It is interesting to note that many have expressed good improvement in the level of income, assets and wealth and also in their standard of living. The study concludes that SHG have brought higher psychological and social empowerment than economic empowerment. The respondents of both Lumding Block and Udali Development Blocks are well empowered though both these blocks has different level of socio-economic conditions. In fact, age and education are not having any influence on empowerment as well as on managerial skill development among rural women. Further, impact of SHGs is appreciable in bringing confidence, courage, skill development and self worthiness in rural areas, particularly women. There is appreciable development in planning, coordination, decision making and financial skills among the leader respondents, but the effect of SHG on communication, organizing, competency and technical, marketing skills and entrepreneurial skills is moderate only. Finally, there is a definite improvement of managerial skills, psychological well being and social empowerment among rural women as a result of participating in micro finance through SHG programme. Considering all these parameters of women empowerment it can be stated that the empowerment is achieved through SHG in the districts among the rural women flock.

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