

# Socio Economic Empowerment of Women through Self Help Groups and Microfinance: Empirical Evidence from Jharkhand, India

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## Abstract:

Microfinance has played a significant role in development and gender equality strategies and microfinance delivery through SHGs has gained much consideration as a tool. In this paper, the impact of Self-Help Groups is analyzed on women empowerment in the state of Jharkhand. While the impact of microfinance on empowerment has been studied extensively in other parts of the country, merely a few quantitative studies have been conducted for the state of Jharkhand. In this study empowerment has been interpreted by identifying four economic and five social variables. Pre and post SHG period studies have been carried out for comparative analysis of the situation. Primary data has been collected from a sample of 270 SHG women members and respondent's views have been determined using a 5 point Likert scale. The study has been done using Factor analysis using rotated component matrix, Paired sample t test, Pearson correlation test etc. After interacting with the sample of the study, the positive relationship has been reported between involvement with SHGs and the socio economic empowerment of women.

**Keywords:** Microfinance, Self Help Group, Women Empowerment, Poverty, Financial Inclusion.

## 1. INTRODUCTION

### 1.1 Research Background

Microfinance is essentially a non-conventional form of banking having a social perspective. It has emerged through the concept that the underprivileged have the ability and willingness to pull themselves out of poverty if they have access to affordable funding (Sarumathi and Mohan, 2011). Both governmental and non-governmental agencies are involved in micro-financing initiatives (Aruna and Jyothirmayi, 2011). Access to credit facilities has gained attention in reference to poverty alleviation and empowerment to women (Swain and Wallentin, 2009).

Women are a significant proportion of beneficiaries. Traditionally, women were not part of the economic

development process. Since ages, they have been oppressed, deprived of capabilities, excluded socially and have been subjected to gender biases. (Patel, Chakravarty and Jha, 2019) Microfinance opens opportunities for women to undertake their new ventures (Sarumathi and Mohan, 2011). Women are more likely to utilize their loans for productive purposes hence having a 'trickle-down effect'. Poor men in rural areas tend to spend money on alcohol and other non-necessities. (Patel, Chakravarty and Jha, 2019). Microfinance helps in generating additional income for the women by providing them training, supply of raw material, marketing platforms, and investment or credits. A Self-Help Group is a voluntary association of 10 to 20 underprivileged members who pool their financial resources to avail credit from Banks: Microfinance Institutions etc. (Patel and Jha, 2017).

## 1.2 Research Problem

Earlier, the situation of women was worse as they were restricted to social boundaries with no participation in economic activities. Although rural women actively participated in agriculture and animal rearing, however, they were never included in the decision-making process. With the change in the circumstances, women involvement is observed in economic activities (Swain and Wallentin, 2009). In many parts of the country, micro financing has proved to be a tool for the economic empowerment of rural women (Sarumathi and Mohan, 2011). Therefore, a study evaluating the role of micro-financing on socio-economic upliftment of women is considered imperative.

## 1.3 Research Questions

The Research Questions formulated are as below:

**1.3.1 Research question 1:** Does participation in SHGs increase the woman's influence over economic resources and participation in economic decision making?

**1.3.2 Research question 2:** Does participation in SHGs influence the women access to resources and increased importance within the family?

**1.3.3 Research question 3:** Has participation in SHGs increased a woman's mobility, development of networks and interactions with other members of her group and community?

## 1.4 Research Objective

**1.4.1** To assess the current socio-economic status of economically backward population of Jharkhand in terms of their lifestyle, savings, local modes of borrowing and interest rates.

**1.4.2** To study the microfinance intervention relating to the functioning of SHGs, delivery of credit, group dynamics and problems faced.

**1.4.3** To evaluate the impact of Microfinance on poverty alleviation, change in socio-economic conditions and empowerment of its SHG members through various economic and social impact variables identified.

## 1.5 Scope of the Study

The study presents the role played by the microfinance programmes in improving the socio-economic status of rural women of Jharkhand and its role in financial inclusion of the marginalized. The research is efficient in determining the relation between characteristics of microfinance and its impact on its women beneficiaries. The impact is examined on four economic and five social factors.

## 2. LITERATURE REVIEW

### 2.1 Overview of microfinance in India

To address the critical issues of development across the nation, microfinance has emerged as a critical strategy over the past few decades (Aruna and Jyothirmayi, 2011). Micro Financing is the financial services provided to the weaker section of society at an affordable rate. Instruments included in the financial services are insurance, loan facility, savings, to name a few. Microloans are made available to poor entrepreneurs who are not capable of taking a loan from banks and do not have any collateral. The explicit goal of microfinance is to empower women (Swain and Wallentin, 2009; Sarumathi and Mohan, 2011) as it is believed that investing in women enables them to make the best choices for themselves, which creates value and a significant contribution in the economic growth and development(Swain and Wallentin, 2009). Microfinance provides the backing to the women in financial terms to start their ventures and business. The financial support includes confidence to better their status and converting them into better decision-maker and inculcating gender equality in the economy (Sarumathi and Mohan, 2011). Communities have started looking at the women's empowerment as a prerequisite of economic development. Female participation in the economy has become a primary concern all over the globe (Aruna and Jyothirmayi, 2011).

### 2.2 Socio-economic status of the population of Jharkhand

The state of Jharkhand is bestowed with abundant resources and abundance of biodiversity, which are extended to 23605 km (Islam et al., 2015). The tribal of Jharkhand has a mutual relationship with the forests, which is inseparable (Singh and Quli, 2011). Jharkhand has wealthiest reserves of coal and iron in the world accompanied with mineral wealth. 33% of India's coal reserves are in Jharkhand. Still, it is third poorest state, with 36.96% of the population below

the poverty line (Planning Commission, 2011-12). Once, the forest was rich, but the deforestation has led to a decrease in forest land by 28%. The problem of unemployment and poverty is grave. People got engaged in the small activities like pottery, weaving, fishery, to name a few, to make their ends meet as agriculture was not enough. Therefore, micro-financing is an efficient tool to eradicate poverty.

**Table 1 – Below Poverty Line data for Jharkhand State**

Sl No.	Year	Rural		Urban		Combined	
		No. of Persons (Thousand)	% of Persons	No. of Persons (Thousand)	% of Persons	No. of Persons (Thousand)	% of Persons
1	2004 - 2005	11,620	51.6	1,600	23.8	13,210	<b>45.3</b>
2	2009 - 2010	10,220	41.6	2400	31.1	12,620	<b>39.1</b>
3	2011 - 2012	10,409	40.84	2,024	24.83	12,433	<b>36.96</b>

Source - Table 154 - Below Poverty Line, rbi.org.in updated on 15th September 2019

**Table 2 - Progress of SHG's in Jharkhand**

Sl. N o	Particulars	Commercial Banks		Regional Rural Banks		Cooperative Banks		Total	
		No. of SHG's	Amount (Rs Lakhs)	No. of SHG's	Amount (Rs Lakhs)	No. of SHG's	Amount (Rs Lakhs)	No. of SHG's	Amount (Rs Lakhs)
1	<b>Savings of SHG with Bank (as on 31st March 2019)</b>	1377	18877.6	9992	10785.4	936	56.24	2385	29719.2
2	<b>Bank Loans Disbursed (during 2018-2019)</b>	2700	18999.9	5994	8418	139	191.7	3313	27609.6
3	<b>Bank Loans Outstanding (as on 31st March, 2019)</b>	5539	31256.1	3510	15976.7	115	241.14	9061	47474.0

Source – NABARD Status of Microfinance in India (2018-19)

### 2.3 Microfinance and women empowerment

Micro-finance programmes aim to target women with the motive to empower them (Swain and

Wallentin, 2009). Study manifested by Sarkar and Baishya (2012), showed that MFIs resulted in an increase in the resources and improvement in the situations of the families of Assam. Decision-making

capacity has improved along with an increase in the participation rate, which indicates that more opportunities have been opened for the women. Improvement in the socio and economic situation is reported in the study of Gowda and Manjula (2012), by helping women to become a decision-maker after joining self-help groups. Bhardwaj and Gebrehiwot (2012) study indicated the same results. Study manifested by Sarumathi and Mohan (2011), recognized that SHGs and microfinancing had inculcated confidence, empowerment, and skill development among the women. The women are involved in social welfare and cooperation in economic development. Microfinance has proved to be a tool which improves the savings, income, and employment of tribal people through social empowerment has been limited for the beneficiaries (Krishnan and Silvi, 2011).

#### **2.4 Role of microfinance in socio-economic upliftment**

Empowerment of women is a process in which women can become organized to increase their reliance, rights to make decisions and controlling the resources in hand and eliminating their subordinates (Varghese, 2011). In the words of Duflo (2012), economic development and empowerment are related closely and need for the balance and equality between male and females is the requirement of the hour. A contradictory statement has been given by Husain, Mukerjee and Dutta (2012) that SHGs only attract those women who are active members and the women who need the assistance are majorly excluded.

#### **2.5 Research Gap**

From the existing literature it has been observed that studies related to impact of microfinance is skewed towards the western and southern states of India. No comprehensive impact study has been conducted for Jharkhand

### **3. RESEARCH HYPOTHESIS**

**H01:** There is no significant difference in mean pre and post average annual income

**Ha1:** There is a significant difference in mean pre and post average annual income

**H02:** There is no significant difference in mean pre and post average annual family savings

**Ha2:** There is a significant difference in mean pre and post average annual family savings

**H03:** There is no significant difference in mean pre and post assets

**Ha3:** There is a significant difference in mean pre and post assets

**H04:** There is no significant difference in mean pre and post insurance

**Ha4:** There is a significant difference in mean pre and post insurance

### **4. RESEARCH METHODOLOGY**

**4.1 Research Approach** – Quantitative research using 5-point Likert's scale

**4.2 Research Design** – Exploratory and Descriptive

**4.3 Data Collection** – Primary data was collected through structured questionnaire.

The impact assessment variables are divided into subcategories: four economic variables - annual income, savings, assets, insurance and five social variables - decision making, health care and immunization, empowerment, social networking, crisis management.

**4.4 Sampling Method** – In the present study, multi-stage judgmental sampling techniques have been used. The SHG members who have been with the group for at least a period of two years have been considered as sample respondents.

**4.5 Sample Size** - The sample size is 270 SHG members. Two districts from each division have been chosen based on penetration of microfinance activities, followed by selecting two blocks from each district. Afterwards, three SHGs have been chosen from each block. Lastly, five members have been selected from each SHG as the sample respondent.

4.6 *Rating scales used* – Scales used is 5-point Likert's scale

4.7 *Statistical Tools* - Factor analysis using rotated component matrix, paired sample t test, Pearson correlation test.

## 5. DATA ANALYSIS AND INTERPRETATION

### **5.1 Demographic description**

Majority of the sample in the study belonged to the age group of 31-40 years, and 86.3% were married. 63% of the respondents were Hindus followed by 16% Christians. Most of the respondents had only a primary level of education, and three percent were illiterate. Agriculture is seen as a significant source of income among the respondents. Monthly income was approximately 10,000 per month in most of the sample.

### **5.2 Information about Microfinance**

Majority of the SHG's constituted of 10-20 members. Cumulative of 85% of the respondents had an outstanding loan of 40,000. SHGs are a favorite source of loan among the sample. SHGs help provide credit facility, social security, meeting family expenses, and savings facility. The credit has been taken with the motive to create income for self and family. The rate of interest on loans is mostly in the range of 20 to 30 percent. Appropriate action is taken against the defaulters by SHGs. The group meeting is made every week, and partial involvement is allowed to all the members. Only 10% were represented position holders in the sample, and the rest were ordinary members. SHGs are taking the initiative to provide vocational training.

### **5.3 Impact Assessment Variables**

The study has examined the assessment variables at the economic and social level. A pre and post study has been conducted.

*Following provide the analysis of economic variables:*

Average annual savings pre SHGs was less than 5000 for most respondents. It was observed that savings increased in the post SHG period, 33.3% stated savings more than 5000 and 29% stated increased in savings to 15,000 and above. 37% of the respondents reported a high increase in their assets. Post SHG and 26% noted a rise in the same context. Majority of the sample stated that they had no insurance pre SHGs, but growth in the crop and livestock insurance is observed post SHGs.

*Analysis of social variables is discussed below:*

Improvement in the usage of borrowed money is reported. The membership in SHG's has an influence in decision making regarding education of children. A massive 74% of respondents stated growth in the strength to protest social evils. Similarly, SHG membership led to advances in the healthcare category. An improvement was marked in the immunization of children below the age of 10 and sanitation facility. But no change is observed in the safe drinking water facility parameter. There was also a reduction in the case of domestic violence. Also, no change is noted in the purchase of household items independently.

After joining SHGs, 49% of respondents remarked, that respect in society has increased along with interaction with outsiders. 35% stated that there was no change in interaction with the bank officials. 59.6% of the sample reported that the usage of mobile phones has greatly improved. The sample reported improvement in the confidence to face crisis situations.

### **5.4 Factor Analysis**

**Table 3 : Component Matrix<sup>a</sup>**

		Component				
		1	2	3	4	5

Use of Borrowed Money	.362	.525	-.282	.163	.154
Education of Children	.403	.588	-.305	.276	-.074
Strength to protest against social evils	.474	.606	-.324	.263	.025
Immunisation to children below Age of 10	.646	.062	-.013	-.337	-.305
Improved Sanitation	.636	.049	.174	-.167	-.370
Safe Drinking Water	.624	-.143	-.018	-.247	-.488
Change in Domestic Violence	.478	-.576	-.284	.248	.153
Purchase of major household items independently	.600	-.525	-.159	.265	.187
Respect in society has changed after being part of a group	.603	-.472	-.239	.167	.063
Interaction with Outsiders	.553	.110	.152	-.188	.401
Ease of interaction with Bank Officials	.341	.155	.285	-.340	.522
Use of Mobile Phones	.548	.078	.341	-.293	.218
Confidence to face crisis	.259	.070	.671	.458	-.166
In a position to help others during financial crisis	.163	.026	.745	.411	-.004

Extraction Method: Principal Component Analysis.

a. 5 components extracted.

**Table 4: Rotated Component Matrix<sup>a</sup>**

	Component				
	1	2	3	4	5
Use of Borrowed Money	.022	<b>.710</b>	.015	.166	-.056
Education of Children	-.001	<b>.813</b>	.146	-.022	.031
Strength to protest against social evils	.047	<b>.862</b>	.124	.079	.010
Immunisation to children below Age of 10	.109	.160	<b>.733</b>	.225	-.056
Improved Sanitation	.102	.131	<b>.714</b>	.162	.196
Safe Drinking Water	.228	.028	<b>.810</b>	.018	.002
Change in Domestic Violence	<b>.848</b>	-.012	.070	.011	-.046
Purchase of major household items independently	<b>.852</b>	.030	.121	.130	.080

Respect in society has changed after being part of a group	.780	.058	.242	.071	-.020	
Interaction with Outsiders	.188	.187	.145	.666	.056	
Ease of interaction with Bank Officials	-.023	.030	.006	.779	.023	
Use of Mobile Phones	.070	.034	.324	.647	.164	
Confidence to face crisis	.014	.043	.124	.034	.861	
In a position to help others during financial crisis	-.011	-.066	-.018	.144	.852	

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

The rotated component matrix, at times referred to as the loadings, shows the key output of principal components analysis. It contains the estimates of correlations between each of the identified variables and the estimated components.

## 5.5 Correlation Matrix – Impact Variables

The correlation matrix is applied to examine the correlation between the five social impact variables. Table 5 indicates that all impact variables, decision

making, health, empowerment, social communication, and crisis management have positive relationships among themselves. Among decision making and crisis management, no correlation is observed.

**Table 5: Correlations among Impact Variables**

		Decision Making	Health	Empowerment	Social Communication	Crisis Management
Decision Making Pearson Correlation	1					
	Sig.	.265** .000	.086 .154	.225** .000	-.001 .984	
Health Pearson Correlation		.265** .000	1	.360** .000	.584** .000	.140* .020
	Sig.					
Empowerment Pearson Correlation		.086	.360**	1	.219**	.022

	Sig.	.154	.000		.000	.711
Social Communication	Pearson Correlation	.225**	.584**	.219**	1	.207**
	Sig.	.000	.000	.000		.001

\*\*. Correlation is significant at the 0.01 level (2-tailed).

### 5.6 Testing of Hypothesis

**H01:** There is no significant difference in mean pre and post average annual income

**Ha1:** There is a significant difference in mean pre and post average annual income

**Table 6 : Paired Sample Statistics**

	Mean	N	Std. Deviation	Std. Error Mean
Pair 1 Average Annual income -pre	2.652	270	.8476	.0516
Average Annual income post	3.396	270	1.0500	.0639

**Table 7 : Paired Samples Correlations**

	N	Correlation	Sig.
Pair 1 Average Annual income -pre & Average Annual income post	270	.786	.000

**Table 8: Paired Samples Test (Impact on annual income pre and post SHGs)**

Paired Differences	t	df	Sig. (2-	
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	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference		t	df	Sig. (2-tailed)
				Lower	Upper			
Pair Average 1 Annual income -pre Average Annual income post	-7.7444	.6492	.0395	-.8222	-.6667	-18.843	269	.000

Highly significant difference in the average annual income of women SHG members was found before and after joining SHG ( $t = -18.843$ ,  $p<0.001$ ). The average annual income of women SHG members before joining SHG was 2.62 which have increased to 3.396 after joining SHG. Therefor we reject null hypothesis and accept alternative hypothesis.

**H02:** There is no significant difference in mean pre and post average annual family savings

**Ha2:** There is a significant difference in mean pre and post average annual family savings

**Table 9 : Paired Samples Statistics**

			Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Average Annual Family Savings pre		2.204	270	1.1106	.0676
	Average Annual Family Savings post		3.530	270	1.4445	.0879

**Table 10 : Paired Samples Correlations**

		N	Correlation	Sig.
Pair 1	Average Annual Family Savings pre & Average Annual Family Savings post	270	.792	.000

**Table 11 : Paired Samples Test (impact on savings pre and post SHGs)**

	Paired Differences				t	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the			

				Difference				
				Lower	Upper			
Pair Average								
1 Annual Family Savings pre - Average	1.32	.8821	.0537	-1.4316	-1.2202	-24.699	269	.000
Annual Family Savings post	59							

Highly significant difference in the average annual family savings of SHG members was found before and after joining SHG ( $t = -24.699$ ,  $p < 0.001$ ). The average annual income of family savings SHG members before joining SHG was 2.20 which has increased to 3.5 after joining SHG. Therefore we

reject null hypothesis and accept alternative hypothesis.

**H03:** There is no significant difference in mean pre and post assets

**Ha3:** There is a significant difference in mean pre and post assets

**Table 12 : Paired Samples Statistics**

	Mean	N	Std. Deviation	Std. Error Mean
Pair 1 Assets pre	2.289	270	.9356	.0569
Assets post	2.0259	270	.92229	.05613

**Table 13 : Paired Samples Correlations**

	N	Correlation	Sig.
Pair 1 Assets pre & assets post	270	.482	.000

**Table 14 : Paired Samples Test (Impact on assets pre and post SHGs)**

	Paired Differences				t	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference			

					Lower	Upper			
Pair 1	Assets pre – assets post	.26296	1.25892	.07662	.11212	.41380	3.432	269	.001

Highly significant difference in the assets of SHG members was found before and after joining SHG ( $t = 3.432$ ,  $p < 0.001$ ). The assets of SHG members before joining SHG was 2.2 which has decreased to 2.0 after joining SHG which shows improvement in overall assets of the people using SHG. Therefor we reject null hypothesis and accept alternative hypothesis.

**H04:** There is no significant difference in mean pre and post insurance

**H1:** There is a significant difference in mean pre

**H04:** There is no significant difference in mean pre and post insurance

**Ha4:** There is a significant difference in mean pre and post insurance

**Table 15 : Paired Samples Statistics**

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Insurance pre	.833	270	1.3977	.0851
	Insurance post	1.552	270	1.6437	.1000

**Table 16 : Paired Samples Correlations**

	N	Correlation	Sig.
Pair 1 Insurance pre & Insurance post	270	.299	.000

**Table 17 : Paired Samples Test (impact on insurance pre and post SHGs)**

	Paired Differences						t	df	Sig. (2-tailed)			
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference								
				Lower	Upper							
Pair Insurance pre - Insurance post	.7185	1.8114	.1102	-.9356	-.5015		-6.518	269	.000			

Highly significant difference in the insurance of SHG members was found before and after joining SHG ( $t = -6.51$ ,  $p < 0.001$ ). The insurance of SHG members before joining SHG was 0.833 which has increased to 1.552 after joining SHG. Therefor we reject null hypothesis and accept alternative hypothesis.

Four problem areas regarding working of SHG's were identified. These were classified as credit related problems, operational problems, training related problems and marketing problems. Each problem area was further sub categorized into the below subcategories.

**Table 18 : Problems Related to SHG Functioning**

SL No.	Category	Subcategory
1	Credit Related Problems	Limited borrowing capacity from banks
		Utilization of loan for unproductive purposes by borrowers
		Assessment of member borrowers is time consuming and expensive
		Borrowing of multiple loans by borrowers
2	Operational Problems	Lack of cooperation and teamwork between members
		Reluctance of members to regularly contribute to savings
		Absence of leadership skills among the office bearers
		Inadequate attendance of members in meetings
3	Marketing Related Problems	Problem of agents / middlemen
		Lack of marketing skills
		Lack of consistency in quality / non standardized product
4	Training Related Problems	Shortage of funds for conducting training
		Failure to organize training according to priority
		Poor response from NGO/promoting agency to conduct timely trainings
		Poor response from member to participate in trainings

**Table 19: Correlation matrix - Problems related to SHG**

		Credit problems	Operational problems	Training problems	Marketing problems
Credit related problems	Pearson Correlation	1	.349**	.058	.009
	Sig. (2-tailed)		.000	.335	.878
	N	274	274	274	274
Operational problem	Pearson Correlation	.349**	1	.110	.071
	Sig. (2-tailed)	.000		.069	.237
	N	274	275	275	275
Training problem	Pearson Correlation	.058	.110	1	.160**
	Sig. (2-tailed)	.335	.069		.008
	N	274	275	275	275
Marketing problem	Pearson Correlation	.009	.071	.160**	1
	Sig. (2-tailed)	.878	.237	.008	
	N	274	275	275	275

\*\*. Correlation is significant at the 0.01 level (2-tailed).

Correlation among the problems of SHGs is also laid down. A positive correlation exists among credit, operational, training and marketing issues. And, a high correlation is reported among the credit and operational problem, that is, 0.749

## 6. RESULTS AND DISCUSSIONS

The study was undertaken to evaluate the role of micro-finance in the socio-economic upliftment of economically weaker women of Jharkhand. After conducting the statistical analysis it can be concluded that all the alternate hypothesis formulated are accepted and rejection of the null hypothesis in the study, which suggests that micro-financing plays a significant role in improving the living standards of rural women in Jharkhand. Moreover, microfinance has resulted in women empowerment and has simultaneously contributed to their economic and social upliftment. It can be well observed that there is a transformation and empowerment of the marginalized women. They have become financially independent which enables them to take important decisions independently. There are some problems related to working of SHG's. These have been categorized into four different categories and fifteen subcategories. These problems need to be addressed in depth and these hinder the success of the program. Significance and correlation among the credit management, operation, training, and marketing problem were observed in SHGs of Jharkhand. Proper training needs to be conducted for the members of the SHG's. Also mentoring of the mentors is an essential prerequisite of the program. The bankers, NGO facilitators need to be sensitized towards the poor. They need to look beyond their routine work and address the issues of these underprivileged in an empathetic manner. Study manifested by Aruna and Jyothirmayi (2011), also indicated that the microfinancing had a positive impact on the socio-economic development and women empowerment in Hyderabad. Loomba (2014) stated after analyzing three big SHGs of India that participation in SHGs led to the psychological, social and economic empowerment of women.

Research by Kapila, Singla and Gupta (2016) indicated that microfinance had improved income, decision making, and empowerment in the district of Punjab. The present study suggests the same for the state of Jharkhand. Microfinance and SHGs are key interventions which have resulted in the economic and social empowerment of women.

## 7. CONCLUSION AND DIRECTION OF FUTURE WORK

The research questions assessed the role of SHG in influencing socio-economic upliftment. After discussion of the statistical analysis, the study concludes that with the involvement in the SHG's and micro-financing facility, economically weaker women of Jharkhand had uplifted their socio-economic status about their income, assets, savings, insurance, decision-making capabilities, health, empowerment, communication and crisis management. The program has also brought about discipline among its beneficiaries with regards to savings and expenditure. The present study reiterates the notion that microfinance through SHG's has contributed in the upliftment of the downtrodden. However, some drawbacks observed were high rates of interest, multiple memberships in microfinance programs and diversion of loans for consumption purpose. The women are aware of the facilities provided by the micro-financing but reported lack in the proper training facility, a problem arising due to interference of middlemen, marketing skills, promotion of products, proper help from agencies and shortage of funds in the training section. However here it should be noted that provision of credit is not the solution to all problems. The promoting agencies and all stakeholders need to work in cohesion and remove the obstacles identified.

Due to paucity of time this study focused on few identified economic and social variables. Similar studies in future can be conducted on a comprehensive set of economic and social variables. Also inter region comparative impact studies can be carried out to determine the effectiveness of the program.

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