

Women's empowerment and financial inclusion in India: 2006-2019

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Keywords: Women, empowerment, financial inclusion, microfinance programs, Self-Help Groups (SHGs), poverty alleviation.

Abstract:

Women play a vital role in the fabric of society globally, and their active involvement in development programs is essential for fostering a healthy and progressive environment, particularly in developing nations like India. However, historically, women's potential has been overlooked, leading to systemic neglect across various dimensions, including economic, socio-cultural, familial, legal, political, and psychological realms. As a result, women often lag behind men, facing deprivation and barriers to accessing resources and opportunities. Hence, the discussion on women's empowerment through financial inclusion in India is crucial within the academic sphere.

This paper seeks to investigate the impact of microfinance programs facilitated by Self-Help Groups (SHGs) in collaboration with banks on poverty alleviation in India since 2006. Specifically, it focuses on the economic empowerment of women over the past thirteen years and their pivotal role in mitigating poverty through microfinance initiatives in the country. Drawing on a range of secondary sources, including reputable data, the study underscores the positive correlation between increased participation in microfinance programs and women's empowerment.

Economic empowerment through microfinance not only enhances women's decision-making power but also amplifies their influence in critical areas such as education, healthcare, and family welfare. Beyond individual empowerment, women's active engagement in microfinance initiatives catalyses broader societal progress, thereby contributing significantly to the socioeconomic development of India.

In conclusion, economic empowerment through microfinance emerges as a powerful mechanism for enhancing women's agency and fostering societal advancement, ultimately paving the way for inclusive and sustainable development across India.

Introduction:

In recent years, women's empowerment has been a burning issue in India. Microfinance helps to acquire empowerment of women. As a result, they can participate in decision making, access resources, are able to properly plan their time for their work as well as their family, and they can also know the difference between right and wrong, and free themselves from any irrelevant customs, traditions, and practices. Women are an integral part of the society of any country of the world. Therefore, their participation in developing programs is highly needed for a healthy / better environment for the society. Specially developing countries like India require it. Unfortunately, the hidden capabilities of women have been neglected from the beginning of society. They are deprived of facilities of different dimensions by men. Women are backward

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compared to men in multiple dimensions such as Economic, Socio-culture, Familial / Interpersonal, Legal, Political and psychological awareness (Moirangleima, 2016; Maiti, 2017). Therefore, they are able to acquire empowerment through these dimensions. Women have been economically or socially deprived by men from the beginning, but they have a vital role in the development of any country in the world (Kaur & Batra, 2023). Although women have been economically or socially deprived by men since the beginning, they play an important role in the development of any country in the world. For that reason, two dimensions such as Economic and Socio-culture have been discussed in this paper.

In addition, we have dealt with the women's participation rate through financial inclusion by microfinance programs at which they are able to remove their own poverty due to participation in the production process by receiving the factor of production as capital from banks. They are employed by themselves in different informal sectors. For example, in West Bengal, The large members of SHGs are engaged in main economic activities such as paddy processing, vegetable cultivation, goat rearing, dairy, fishery, biri and spices making, etc, and a relatively smaller number of SHGs are involved in jute diversity product, weaving and silk thread making, etc. The common feature is that member of SHGs do not have access to a strong marketing network for selling their product due to a lack of capital. They force their products to be sold in the local market network. For example, members of SHGs are engaged in the cultivation of vegetables and other economic activities; they easily sell these items in local hats/markets. Women prove that they are just as much an earning member of society as men. They used to earn money for their family. Further, women spend more of their income on their children first, such as for education, health, etc. As a result, women will build a healthy society and economic development of a country. They play an important role in the financial sector in transaction-related matters. For example, Women are very responsible members of the society to the bank regarding loan repayment. Their repayment performance of women is better than that of men, as per bank records.

Objectives & Methodology:

Objectives

This paper aims to explore the impact of microcredit programs facilitated by Self-Help Groups (SHGs) in collaboration with banks on poverty alleviation in India since 2006. Specifically, it delves into the economic empowerment of women over the past thirteen years, focusing on their role in poverty reduction through microfinance initiatives in India.

By operating Self-Help Groups (SHGs), this study examines how microcredit programs have been utilized as a tool for economic empowerment and poverty reduction among marginalized communities, particularly women, in West Bengal. It seeks to analyse the effectiveness of these programs in fostering financial inclusion, enhancing livelihood opportunities, and ultimately lifting individuals and households out of poverty.

Through a comprehensive examination of the socio-economic impact of microfinance interventions, this paper aims to contribute to a deeper understanding of the role of SHGs and microcredit programs in addressing poverty challenges in India, with a specific focus on the context of West Bengal.

Methodology

This study relies on secondary sources of information, with relevant data collected from various reputable sources. The primary sources include the National Microfinance Conclave, 2014, and the Status of Microfinance in India spanning from 2006-07 to 2018-19. These sources encompass data from organizations such as NABARD, the World Bank, and RBI. Additionally, information has been gathered from published books and journals.

The final table presented in the paper is derived from straightforward mathematical calculations. It measures women's participation rates in microcredit programs based on two key economic factors: the number of women involved and the amount of SHG savings with banks or amount of loans disbursed to SHGs or amount of loans outstanding against SHGs. This data is systematically organized and displayed in the table for analysis and interpretation.

Women's Empowerment:

In India, the focus on empowering women, particularly at the grassroots level, gained momentum during the eighth five-year plan (1992-1997). This emphasis was channelled through initiatives such as the empowerment of women via Panchayati Raj Institutions. Furthermore, efforts were directed towards implementing the National Policy for Empowerment of Women, which had been recently adopted in 2001. These measures aimed to translate policy objectives into actionable strategies, with a specific focus on ensuring the survival, protection, and development of women and children through a rights-based approach.

During the tenth five-year plan (2002-2007), India continued its commitment to empowering women by addressing critical issues such as economic participation, decision-making both internally and externally, access to higher education, and the right to choose a life partner. These areas were identified as major challenges hindering women's empowerment in the country.

The recognition of these challenges underscored the need for comprehensive strategies and policy interventions aimed at overcoming barriers to women's empowerment. Efforts were made to create opportunities for women to actively participate in economic activities, have a voice in decision-making processes at various levels, access higher education, and exercise agency in choosing their life partner. These initiatives marked significant steps towards advancing gender equality and women's empowerment in India.

Defining women's empowerment is a complex task with various perspectives in the literature. Generally, it entails enabling women to lead lives of dignity, humanity, respect, self-esteem, and self-reliance, allowing them to make decisions autonomously. According to Gutierrez (1990), empowerment involves enhancing personal, interpersonal, or political power to enable

individuals to improve their life circumstances. Nobel laureate A.K Sen (1993) views empowerment as reflected in an individual's capability set, influenced by personal attributes and social structures.

Women's empowerment encompasses their involvement in societal programs. For instance, Hashemi et al. (1996) measured women's empowerment based on indicators like mobility, ability to make significant purchases, and political and legal awareness. Mayoux (1998) emphasizes empowerment as a process of internal change and the capacity to make decisions, while Kabeer (2001) stresses the importance of increasing women's decision-making power within households to enhance their agency.

The United Nations' Guidelines on Women's Empowerment outline five components, including self-worth, choice determination, access to opportunities and resources, control over one's life, and the ability to influence social change. Malhotra, Schuler, and Boender (2002) expand on this, highlighting the multidimensional nature of women's empowerment across economic, socio-cultural, familial, legal, political, and psychological realms.

Access to credit and participation in income-generating activities, as noted by Cheston and Kuhn (2002), are crucial for strengthening women's bargaining power within households. Microfinance has gained prominence in recent years for its role in enhancing women's decision-making power by facilitating economic engagement.

Krishna (2003) defines empowerment as enhancing individuals' capacity to make development and life choices, translating these into desired actions and outcomes. Kabeer (2005) describes empowerment as the process by which those previously deprived of choice gain such an ability. Women's empowerment is seen as a developmental process in society (Rahman et al., 2009).

Studies, such as that by Ranjula Bali Swaina and Fan Yang Wallentin (2009), indicate that participation in microfinance programs, such as Self-Help Groups in India, empowers women by enabling them to resist gender norms and make choices. Similarly, Sujay Bhattacharya (2015) highlights the collective movement of Self-Help Groups as a means of achieving women's empowerment.

Overall, women's empowerment involves enhancing agency, decision-making power, and access to resources, contributing to their ability to lead fulfilling lives and effect societal change.

Women's Participation rate and Financial Inclusion:

The examination of women's inclusion in the financial sector reveals a historical deprivation perpetuated by societal norms favouring men. Over time, efforts have been made to address this disparity, with some literature referring to increased participation in microfinance programs as a form of women's empowerment. This connection suggests a positive correlation between the participation rate in microfinance programs and the empowerment of women. Consequently, it becomes essential to analyse the extent of women's participation in microcredit programs at a national level.

The participation rate of women in microfinance programs serves as a gauge of their involvement in productive activities. By engaging in these programs, women establish themselves as earning members within households and contribute to the economic dynamics of society. Moreover, their involvement positions them not only as labourers but also as critical thinkers, contributing to the advancement of rural economies.

Within microfinance institutions, women actively engage in discussions with other members to address existing challenges. This collaborative effort aims to improve the conditions within these institutions and consequently enhance the rural economy. Thus, the participation rate in microfinance programs serves as a tangible measure of women's empowerment in this context.

The involvement of women in microfinance programs signifies a step towards their empowerment within the financial sector and broader society. By analysing and fostering increased participation rates, societies can work towards creating more inclusive and equitable financial systems, ultimately leading to socioeconomic progress for all members.

In this section of the study, our focus is on examining the detailed aspects of women's participation rates within microfinance programs across India, particularly concerning economic factors. We have delineated three key parameters for analysis: savings linked with banks as of March 31st, the amount of loans disbursed during the year, and the outstanding loan amounts as of March 31st. Table 1, provided below, presents the relevant data for our investigation.

Table 1 illustrates the quantitative representation of women's involvement in microfinance programs, showcasing the number of women participants alongside the corresponding economic figures. The data presented encompasses a comprehensive overview of women's engagement with microfinance initiatives, highlighting their contributions to savings, loan disbursements, and outstanding loan balances.

By scrutinizing these economic indicators, we aim to gain insights into the extent of women's participation in microfinance activities, as well as their impact on financial inclusion and empowerment. This detailed analysis will enable us to assess the efficacy of microfinance programs in fostering economic agency and advancement among women across diverse regions of India.

Table 1 presents the percentage of women Self-Help Groups (SHGs) in India over the past thirteen years, along with their corresponding distributions in savings linked with banks, loans disbursed, and outstanding loans.

On average, the percentage distribution of the number of SHGs and their savings linked with banks stands at 82.09% and 82.45% respectively. Similarly, for loans disbursed, the average percentages are 86.23% for the number of SHGs and 88% for savings linked with banks. For outstanding loans, the average percentages are 84.08% for the number of SHGs and 85.72% for savings linked with banks. These figures span from the fiscal year 2006-07 to 2018-19, showcasing trends in women's participation in microfinance activities over time.

Analysis reveals that the number of women's SHGs engaging in savings linked with banks has shown a consistent increasing trend in India from 2007-08 to 2018-19. The participation rate for

the number of SHGs involved in savings demonstrates an upward trajectory, starting at 78.62% in 2006-07, peaking at 86.41% in 2014-15, and then slightly decreasing to 85.19% in 2018-19.

In contrast, the percentage of SHGs involved in loans disbursed displays a steady increase over the years. Beginning at 86.63% in 2006-07, this figure steadily climbs to 91.78% by 2017-18, indicating a positive trend in loan disbursement activities among women's SHGs at the national level. Regarding loans outstanding, the percentage distribution shows a fluctuating pattern. Starting at 82.55% in 2006-07, it dips to 77.58% in 2008-09 before experiencing a broad increase from 2009-10 onwards, reaching 87.87% by 2018-19.

Particulars	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Average
	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	
SHG Savings with Banks #	78.62	79.57	79.46	76.4	81.7	79.1	81.1	84.15	86.41	85.58	85.36	84.5	85.19	82.09
Loans Disbursed to SHGs during the year	86.63	84.79	85.39	81.6	85	80.4	85.1	84.3	89.05	88.92	90.42	91.8	87.66	86.23
Loans Outstanding against SHGs #	82.55	80.46	77.58	80.3	83.2	83.8	84.4	81.2	86.35	86.37	88.36	90.6	87.87	84.08
	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.
SHG Savings with Banks #	86.12	82.12	79.96	72.6	75.5	77.9	79.3	80.96	83.77	87.91	88.64	89.3	87.78	82.45
Loans Disbursed to SHGs during the year	86.41	84.46	85.91	86	86.8	85.5	86.7	87.6	83.53	92.29	93.09	94.4	91.32	88.00
Loans Outstanding against SHGs #	81.97	78.45	81.93	82.1	83.7	83.8	83.3	84.2	89.05	90.04	91.66	93.1	90.97	85.72
Note: No. = Number of SHGs, Amt. = Amount and # during the year ended 31 March														
Source: NABARD: Rural Credit Innovations Department														

These trends underscore the evolving landscape of women's participation in microfinance programs in India, with notable progress in savings, loan disbursement, and loan repayment activities over the examined period. Such insights are invaluable for policymakers and stakeholders seeking to further enhance the effectiveness and reach of microfinance initiatives aimed at empowering women economically across the nation.

Examining the amount distribution for the same period reveals distinct trends in the participation rates of women's Self-Help Groups (SHGs) in savings linked with banks, loans disbursed, and outstanding loans.

For savings linked with banks, the percentage participation rate of women's SHGs demonstrates a steady decreasing tendency up to 2009-10, followed by an increase. This trend is

evident from the figures, starting at 75.5% in 2010-11, peaking at 89.31% in 2017-18, and then decreasing slightly to 87.78% in 2018-19.

A similar pattern is observed for loans disbursed to women's SHGs. The percentage participation rate starts from 84.46% in 2007-08 and steadily climbs to 94.43% by 2017-18, indicating a positive trend in loan disbursement activities among women's SHGs, except for the year 2018-19. Contrary to the trends observed in savings and loans disbursed, the percentage participation rate for loans outstanding displays a broadly increasing trend. This figure varies from 78.45% in 2007-08 to 90.97% in 2018-19, indicating a consistent upward trajectory over the years.

It is noteworthy that the average participation rate is higher (85.72%) for loans outstanding compared to savings (82.09%) linked with banks for women's SHGs at the national level. This suggests that while women's SHGs may demonstrate fluctuations in savings and loan disbursement activities, they show a relatively consistent and higher level of engagement in repaying outstanding loans.

These observations underscore the dynamic nature of women's participation in microfinance activities, highlighting variations in savings, loan disbursement, and repayment behaviours over time. Understanding these trends is crucial for policymakers and stakeholders to tailor interventions and support mechanisms effectively, ultimately fostering sustainable economic empowerment among women across India.

Henceforth, our analysis unveils that women Self-Help Groups (SHGs) have significantly dominated the microcredit industry in India over the past thirteen years. The remarkable participation rates of women SHGs underscore their outstanding performance in engaging with microfinance programs within the microcredit market. This heightened involvement not only boosts economic activities in their daily lives but also contributes to the reduction of poverty levels.

In practical terms, the economic empowerment of women translates into pivotal decision-making regarding various aspects of family life, including education, healthcare, and other necessities. When a woman holds economic power, she is better positioned to prioritize and invest in the well-being and future prospects of her children and family members. In essence, the robust engagement of women SHGs in microfinance initiatives not only fosters their own economic empowerment but also serves as a catalyst for broader societal progress, ultimately paving the way for enhanced socio-economic development across India.

Table 2 provides an overview of the average and annual growth rates of women Self-Help Groups (SHGs) in India, shedding light on their significant role in financial inclusion and empowerment. From 2006-07 to 2018-19, there has been a notable average growth rate of 8.62% for the number of SHGs and 17.94% for the amount of savings with banks. This underscores the positive aspect of women's participation in financial inclusion efforts, demonstrating their keen interest in saving with banks even with minimal liquid assets. This intentional savings behaviour reflects their forward-thinking approach, aimed at securing the financial well-being of future

generations. In essence, women SHGs aspire to fulfil the slogan 'micro saving to microcredit', highlighting their journey from savings to accessing microcredit facilities.

Similarly, the average growth rates for loan disbursements to SHGs during the same period stand at 9.81% for the number of SHGs and 21.10% for the amount disbursed. This indicates commendable progress in both the physical and financial performance of women SHGs over the years. Notably, while the growth rate for the number of SHGs receiving loans experienced a modest increase, the growth in the amount disbursed exhibited a phenomenal rise, reflecting the increasing confidence of financial institutions in extending credit to women SHGs.

Examining outstanding loans, we find average growth rates of 5.75% for the number of SHGs and 19.06% for the loan amount. Remarkably, the percentage average share of outstanding loans against women SHGs is lower (19.06%) compared to loans disbursed (21.10%), indicating excellent repayment performance among women SHGs in India. This reflects the absence of defaulters in loan repayment within the microfinance industry, further highlighting the responsible financial behaviour of women SHGs.

Considering the demographic composition of India, where approximately 51% of the population comprises women, an increased participation rate in financial inclusion through microfinance programs holds immense potential for the economy. Women SHGs are recognized as earning members of society, and facilitating their access to formal financial services enables them to build assets, increase incomes, and reduce vulnerability to economic stress. Moreover, formal financial services empower poor families to invest in enterprises, nutrition, living conditions, and the education of their children, ultimately contributing to poverty reduction and national development.

A closer look at the year-wise discussion reveals fluctuations in the annual growth rates of both the number and amount of women SHGs' savings with banks. While there was a decreasing trend up to certain years, followed by subsequent increases, similar patterns were observed for loan disbursements to women SHGs. These fluctuations underscore the dynamic nature of financial inclusion initiatives and emphasize the importance of continued monitoring and support to ensure sustained progress in empowering women through microfinance programs.

The fluctuating annual growth rates in both the number of Self-Help Groups (SHGs) and the amount of loans disbursed to them over the specified years suggest a pattern akin to a 'U' shape distribution. Let's delve deeper into the expanded text to explore the reasons behind this trend, particularly in light of the microfinance crisis in the southern region in 2006.

The substantial growth rates (32.04%) observed in 2008-09 signify a period of rapid expansion in microfinance activities. This could be attributed to various factors such as increasing awareness about microfinance, government support initiatives, and favourable economic conditions, which encouraged the formation of SHGs and facilitated higher loan disbursements.

Table 2: The Annual and Average Growth Rate of number and amount of women SHGs , by Savings , Loan Disbursed and Outstanding in India during 2006-07 to 2018-19 (%)

Particulars	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Average
	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	
SHG Savings with Banks #	21.85	22.02	9.18	14.8	3.3	-5.7	5.27	6.38	1.68	8.26	0.94	15.44	8.62
Loans Disbursed to SHGs during the year	8.67	32.04	5.8	-21.4	-9.2	12.4	11.02	25.69	12.5	5.34	20.92	13.98	9.81
Loans Outstanding against SHGs #	22.09	12.34	18.9	2.2	-8.4	2.9	-9.34	13.27	4.61	6.14	6.2	-1.93	5.75
	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.	Amt.
SHG Savings with Banks #	2.77	42.64	1.46	17.8	-3.7	27.6	22.99	15.61	29.92	18.67	22.51	17.01	17.94
Loans Disbursed to SHGs during the year	31.65	40.85	18.1	1.6	12	26.3	17.83	16.07	40.92	4.92	23.42	19.51	21.10
Loans Outstanding against SHGs #	31.55	39.35	23.9	13.4	16.6	7.8	10.08	26.97	12.04	9.75	24.73	12.54	19.06
Note: No. = Number of SHGs, Amt. = Amount				# = during the year ended 31 March										
Source: NABARD: Rural Credit Innovations Department														

The negative growth rates (-21.4%) experienced in 2010-11 indicate a downturn in microfinance activities. This could be a consequence of several factors, including the aftermath of the microfinance crisis in the southern region in 2006. The crisis might have led to increased regulatory scrutiny, decreased investor confidence, and a cautious approach towards microfinance lending, resulting in a contraction in the number of SHGs and loan disbursements.

Whereas, the subsequent years, particularly from 2012-13 onwards, show a revival in growth rates (12.4%). This suggests that the microfinance sector gradually recovered from the challenges it faced, possibly due to interventions aimed at addressing the root causes of the crisis. These interventions could include regulatory reforms, improved risk management practices, and efforts to rebuild trust among stakeholders.

The positive growth rates observed towards the end of the period indicate a resurgence in microfinance activities. This could signify a phase of renewed growth and expansion within the sector, driven by factors such as improved regulatory frameworks, increased investor confidence, and continued efforts to enhance financial inclusion, particularly for women through SHGs.

The 'U' shape distribution observed in the growth rates of SHGs and loan disbursements underscores the resilience of the microfinance sector. Despite facing significant challenges, including the crisis in the southern region, the sector demonstrated its ability to bounce back and thrive. This highlights the importance of adaptive strategies, effective governance, and stakeholder collaboration in ensuring the sustainability and impact of microfinance initiatives, particularly those aimed at empowering women through access to financial services.

In conclusion, while the microfinance crisis in the southern region in 2006 may have contributed to the observed fluctuations in growth rates, the subsequent recovery and expansion

of microfinance activities indicate the sector's resilience and adaptability in overcoming challenges and driving inclusive economic development.

The findings from N. K Mandal's (2015) study provide valuable insights into the impact of microfinance programs, particularly on women's participation in income-generating activities. He conducted field-based research in Suti 1 block of the Murshidabad district, focusing on the microfinance program's effects in the region.

N. K Mandal found that the average percentage of women participating in income-generating activities through microfinance stands at an impressive 91.89%, it is shown in following table. This indicates a significant level of engagement and empowerment among women beneficiaries of microfinance initiatives. The survey data also reveals a noteworthy trend: women are directly involved in various economic activities such as poultry farming and paddy processing, enabling them to earn income independently. Prior to joining Self-Help Groups (SHGs), these women were not engaged in any income-generating work.

Table: The Participation Rate in Microfinance Programme of Women
BPL, Gen, SC, ST, OBC, and Minority

Name of GP	Total SHGs	Total Members	% Women	% BPL	% Gen	% SC	% ST	% OBC	% Minority
Sadikpur	133	1449	96.27	78.88	66.80	0.69	0.00	0.00	32.51
Nurpur	93	1055	90.71	71.56	51.75	20.85	0.00	0.00	27.39
Harua	128	1359	88.01	52.69	4.86	19.79	9.35	2.94	63.06
Bansabati	84	918	97.71	62.42	92.92	0.00	0.00	0.00	7.08
Bahutali	96	1033	87.71	69.22	69.60	0.00	0.00	0.00	30.40
Ahiron	106	1169	91.19	68.95	81.09	4.96	0.00	0.00	13.94
Total	640	6983	91.89	67.42	58.71	7.98	1.82	0.57	30.92

Source: Field Survey, 2015, GP= Gram Panchayat

One of the key impacts highlighted by N.K Mandal's study is the strengthening of women's bargaining power within their households. By actively contributing to household income through their participation in economic activities facilitated by microfinance, women are better positioned to influence important decisions within their families. This shift in dynamics has led to a tangible transformation in rural areas of West Bengal, where traditional gender roles are being challenged, and women are assuming more active roles in economic decision-making processes.

Importantly, Mandal's research does not solely focus on women members of SHGs. He also examines the participation and impact of microfinance programs on various marginalized categories of people, including those belonging to Below Poverty Line (BPL) households, Scheduled Castes (SC), Scheduled Tribes (ST), Other Backward Classes (OBC), and Minority communities. This comprehensive approach provides a holistic understanding of how microfinance initiatives can empower not only women but also other vulnerable and marginalized groups within society.

In conclusion, Mandal's findings and our findings underscore the transformative potential of microfinance programs in promoting women's empowerment, economic inclusion, and social

change in rural areas. By providing opportunities for women to engage in income-generating activities and enhancing their decision-making authority within households, microfinance initiatives contribute significantly to broader efforts aimed at poverty alleviation and socio-economic development.

The fundamental principle underlying microfinance is the empowerment of women through the provision of capital, enabling them to generate independent income and contribute financially to their households and communities. This economic empowerment is anticipated to foster greater self-esteem, respect, and various other forms of empowerment among women beneficiaries.

Summary and Conclusions:

The historical exclusion of women from the financial sector, fuelled by societal biases favouring men, has prompted initiatives to address this imbalance. Increased involvement in microfinance programs is seen as a means of empowering women, indicating a positive link between participation rates and empowerment. Through engagement in microfinance activities, women become earners in their households, contributing to economic dynamics and nurturing critical thinking skills. Their participation also facilitates collaborative problem-solving, leading to enhancements within microfinance institutions and rural economies.

Analysing national-level data reveals trends in women's participation in savings, loan disbursement, and loan repayment activities over thirteen years. Overall, there has been notable progress in these areas, indicating a positive trend in women's engagement with microfinance programs. Women's dominance in the microfinance sector reflects their pivotal role in driving economic activities and poverty reduction efforts. Economic empowerment through microfinance translates into improved decision-making power, particularly in education, healthcare, and family welfare. Women's active involvement in microfinance not only enhances their own empowerment but also spurs broader societal progress, ultimately contributing to socio-economic development across India.

The analysis highlights the transformative impact of microfinance in empowering women and advancing socio-economic development goals in India. Continued support and enhancement of women's participation in microfinance initiatives are essential for promoting inclusive and equitable economic growth.

This study provides an insightful overview of the average and annual growth rates of women Self-Help Groups (SHGs) in India, shedding light on their significant role in financial inclusion and empowerment. Notable growth rates in the number of SHGs, savings with banks, loan disbursements, and outstanding loans reflect commendable progress in women's participation in microfinance programs over the years. This underscores their growing economic agency and contribution to socio-economic development. Fluctuations in growth rates indicate the dynamic nature of financial inclusion initiatives, with the observed 'U' shape distribution suggesting resilience and adaptability within the microfinance sector. Despite challenges, including the crisis

in the southern region in 2006, the sector has demonstrated its ability to bounce back and drive inclusive economic development.

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