

## **MICROFINANCE AND WOMEN EMPOWERMENT : EVIDENCE FROM FIELD STUDY**

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### **ABSTRACT**

*Women from low income and poor households constitute majority of the clients of the microfinance programmes and their empowerment is an implicit goal of most of the microfinance programmes. Empowerment is about 'the development of personal competencies and skills, to the process of challenging the existing power relations, household decision making, gaining access, control over resources like credit, income, land, knowledge, and subjective variables like sense of personal power and self-efficacy' The present study examines the empowerment impact of microfinance programme of Neighbourhood Groups (NHGs) in Kerala and is based on primary data collected from 200 respondents in 30 NHGs functioning in 11 Gram Panchayats in Nilambur block in Kerala. The study revealed that apart from providing savings and credit to its members, NHGs were instrumental in bringing desired social change among the members. The ability to contribute to household income as a result of the credit access and increased income from income generating activities helped the members to get respected in their family and community as well. This acceptance in turn helped to gain confidence, increased role in household decision-making, and control over resources, ability to freely interact with members of the group as well as outsiders, ability to deal with adversities and involvement in community activities. The group activities are also found to be helpful in developing a greater sense of solidarity, closeness and will to shoulder responsibilities among the group members which is a true reflection of empowerment as a result of participation in group activities.*

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