

SRI KSHETRA DHARMASTHALA RURAL DEVELOPMENT PROJECT - MICROFINANCE

EXECUTIVE SUMMARY

Introduction

Microfinance is a type of banking service that is provided to unemployed or low-income individuals or groups who would otherwise have no other means of gaining financial services. 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 and creating awareness which finally results in sustainable development of the nation. The main aim of microfinance is to empower women. The roles played by Microfinance in women's empowerment are considered into three dimensions namely psychological, social and economical.

The main aim of microfinance is to empower women. Women make up a large proportion of microfinance beneficiaries. Traditionally, women (especially those in underdeveloped countries) have been unable to readily participate in economic activity. Microfinance provides women with the financial backing they need to start business ventures and actively participate in the economy. It gives them confidence, improves their status and makes them more active in decision-making, thus encouraging gender equality.

Need for the study:

Due to the wide acknowledgement of women's empowerment as a key for development, it is of interest to find out how women are empowered. In recent research, access to credit and participation in microfinance program has been identified as possible empowering activities. This study will look further into the relationship between microfinance and empowerment by conducting study on Dharmastala a context where research on the relationship between women's empowerment and microfinance is extremely scarce.

In Particular this study seeks to understand if women participating in a microfinance program are more empowered than those women who are not, and if there are certain factors that are important for women's empowerment. The SHG programs has to be successful in not only meeting the peculiar needs of the rural poor but also in strengthening collecting self help capacities of the poor at the local level, lending to their empowerment.

The performance and achievement of the SHGs in D.K District in employment and income generating activities through the rural enterprise development discussed. A critical study of self help groups well enable us to know the role of SHGs in D.K District it also helps us in locating the strength, weaknesses, opportunities and threats of SHGs and to give suggestions for improvement and remedial measures wherever necessary.

Objectives of the Study:

1. To study the performance of SHGs in rural region.
2. To study the problems women members face in SHG.
3. To analyze the freedom women members get in SHG.
4. To analyze the empowerment of the women economically and sociologically.
5. To offer suggestions for the betterment of women's empowerment in SHG.
6. To analyse the operating system of SHGs for the mobilization of saving, delivery of credit to the needy, management of group funds, repayment of loans, in building up leadership, and establishing linkage with banks.
7. To study the provisions of a revolving line of credit to support rural microenterprises and agricultural activities.

Scope of the Study:

SKDRDP is one of the famous NGO of the country. In Karnataka majority of the districts are covered with the SKDRDP programs so it is very difficult to consult all the rural people who are getting benefit from the micro finance scheme.

The scope of study is limited to 50 members of SHGs from Puttur taluk mainly because to analyses the impact of micro finance in reduction of poverty on rural poor. The scope of the study includes the use of micro finance by rural people for various purposes and measures the standard of living of the people and wealth facilities provided by the organization to the rural poor.

It examines how far the programme has helped in raising the incomes and levels of living of the rural poor women and in enabling them to cross the poverty line. The present study is from the standpoint of the SHGs and their members.

Methodology of the study:

Research methodology is a way to systematically solve the problem. Methods followed to perform a job or conducting activities to complete a task is called methodology. In conducting this report the following methodology was adopted in data & information, preparation of reports etc. The main focus is on numerical data in preparing the report. Also theoretical portion of the report has been used as the demand of the report. Analyzing foreign trade management of a bank, both theoretical and technical knowledge are necessary for execution, then everything with accuracy.

Method of data collection:

After the research problem has been identified and selected the next step is to gather the requisite data. While deciding about the method of data collection to be used for the researcher should keep in mind two types of data i.e. primary and secondary.

Primary Data

The primary data are those, which are collected afresh and for the first time, and thus happened to be original in character. I collected primary data through observation, discussion with the officer and through questionnaire from the respondents.

Secondary Data

The secondary data on the other hand, are those which have already been collected by someone else and which have already been passed through the statistical processes. When the researcher utilizes secondary data then he has to look into various sources from where he can obtain them. For e.g. books, magazine, newspaper, internet, publications and reports.

In this study data have been taken from various secondary sources like:

- Internet
- Books
- Magazines
- Newspapers
- Journals

Conclusion

Microfinance program is primarily focused on alleviating poverty by providing financial services to the poor especially for those who are kept outside from the mainstream banking most of those who live in rural areas. Traditionally women have been marginalized. A high percentage of women are among the poorest of the poor. Microfinance activities can give them a means to climb out of poverty. Microfinance could be a solution to help them to extend their horizon and offer them social recognition and empowerment

Micro finance is considered as a major tool to alleviate poverty. But also it is one of toughest activities which are successfully carried out by many of the microfinance institutions in India especially in rural areas. Many microfinance institutions are rendering services to the poorer section of the society. SKDRDP is one of those organizations which are engaged in providing financial facility to the rural poor through micro finance activities organization is performing in 23 districts of Karnataka under the guidance of Dr. Veerendra Heggade.

So, micro finance is played a significant role in women empowerment the women's are empowered through the SKDRDP organization will helpful to the members and train the members to join the several group activities and coordinators to motivate the members and they build the way capacity, self esteem and taking decisions in the good way, and their economic status will be increased after joining the groups.