

Microcredit impact through group initiatives in Manipur

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■ **ABSTRACT** : In the context of world development, microcredit is taken as indispensable dimension of development. Microcredit acts as a catalyst in the economic empowerment of rural women. The positive aspect of microcredit accessibility to women Self Help Groups with the aid of promoting institution is a real testimony to the magical effect of microcredit.

■ **KEY WORDS** : Group initiatives, Working hour, Income generation, Socio-economic empowerment

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In India the SHG-bank microcredit linkage programme was initiated by NABARD in the year 1992. Self help groups (SHGs) became joint liability groups, excluding other collateral for the loans. Through this programme a remarkable delivery of micro credit was made to the poor through their SHGs (Gupta, 2008). The rural institution so called Self Help Group has given a new opportunity for a strategic move for women's economic, social and political empowerment (Pandian and Eswaran, 2002; Loganathan and Ashokan, 2006). The microcredit linkage activities undertaken by the NCUI-Women Cooperative Education Project, Imphal East for the socio-economic empowerment of rural women need to be examined. The focal objective of the study was to examine the microcredit impact on the economic empowerment of rural SHGs women in Imphal East District, Manipur.

This research study is based on rural women SHGs promoted by NCUI -Women Cooperative Education Project, Imphal East (conducted in 2009-2010) with special reference to the activities related to micro credit linkage programme. Primary and secondary data were collected with suitable tools namely, interview schedule and questionnaire. Regarding the primary data collection, multi-stage sampling technique was adopted. Data processing and analysis were carried out with the help of SPSS.

The average monthly income of members before getting microcredit loan was Rs. 2,414/-. After getting micro credit

loan their average monthly income increased to Rs. 3346/ *i. e.* by 38.61 per cent. It marks significant improvement in income after availing micro credit loan facility. Highly significant change in income after availing micro credit loan was observed statistically. It was observed the paired $t = 32.341 > p = 0.000$ and further, $Z = 331.1$ was greater than the value of 3 times of S. E. ($= 8.43$). Hence, one may conclude that microcredit has given positive impact on women economically.

As can be seen from Table 2, that there was a significant increase in mean working hour, which is evident from paired t – test having the value $t = 12.634$, $d.f = 311$ and $P = .000$. The increase in working hour directly increases the income earning

Table 1 : Distribution of income before loan and after loan

Income	No. of SHG members	Mean \pm S.D.
Income before loan	312	2414.10 \pm 1194.38
Income after loan	312	3345.83 \pm 1275.48

Source: Field data

Table 2: Distribution of working hour before and after joining SHG

Working	No. of SHG members	Mean hour \pm Std. deviation
Before joining SHG	312	4.62 \pm 1.262
After joining SHG	312	5.14 \pm 1.339

Source : Field data

of the group members.

After availing microcredit loan, SHGs members had purchased more equipments (48.7%) such as loom, shuttle, charkha, sewing machine etc. for making their work more productive. Majority of SHGs (28.2%) constructed workshed (Katcha) and repaired workshed. This indicated that women SHG if given a microcredit loan adequately, then they can utilize to its maximum benefit. 23.1 per cent surveyed members could not purchase more because the per capita credit was very less.

Table 3 : Distribution of members by ownership of assets bought after credit linkage

Assets bought/ workshed constructed	No. of SHG members	Percentage
Machineries, equipments	152	48.7
Machineries, workshed	88	28.2
No purchase	72	23.1
Total	312	100

Source: Field data

The comprehensive objectives of group initiatives have created ‘Self Help Group’ as a rural institution for socio-economic empowerment of women. Increasing monthly earning power, saving capacity and effective productivity of SHG-members have ensured better economic life of the rural

women. By and large, the impact of self help group initiatives for accessing micro credit through the all possible approaches will bring sustainable rural development in the state of Manipur.

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