



Role of Microfinance and Financial Inclusion in Women Empowerment: A Case Study of Beed District

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Abstract:

The main aim of this paper is to know relationship between micro finance and women empowerment. Also this paper has investigated the microfinance institutions and financial inclusion initiatives play a pivotal role in providing women with access to credit, savings, and financial literacy, enabling them to participate in economic activities and improve their socio-economic status. These initiatives foster entrepreneurship among women, encourage self-reliance, and enhance their decision-making power within households and communities. In the context of emerging technological trends in commerce, digital financial platforms and mobile banking have further amplified the impact of microfinance, ensuring greater reach and efficiency in service delivery. This integration of technology with financial inclusion has proven instrumental in bridging the gender gap in financial access and promoting sustainable development. This study is based on primary as well as secondary sources of data and a descriptive nature which describes. Primary data has collected from well structured questionnaire. Researcher has selected 200 women as sample from Beed district in SHGs and who beneficiary of micro finance.

Keywords:, *Microfinance and Financial Inclusion, Self-Help Groups and Women Empowerment*

Introduction

The relationship between women empowerment through microfinance and financial inclusion and emerging technological trends in commerce is transformative and mutually reinforcing. Microfinance and financial inclusion initiatives provide women with essential financial resources, such as credit, savings, and insurance, which empower them to engage in entrepreneurial activities and achieve financial independence. These initiatives are increasingly integrating with emerging technologies like digital payments, mobile banking, and e-commerce platforms, which enhance accessibility and convenience for women, even in remote areas. By leveraging technology, women can efficiently manage their finances, access real-time market information, and expand their business operations beyond traditional boundaries. Emerging technological trends in commerce, such as online marketplaces, fintech innovations, and block chain technology, have further amplified the impact of microfinance and financial inclusion by creating a more inclusive economic ecosystem. These technologies reduce barriers to entry for women entrepreneurs by minimizing the need for physical infrastructure and enabling direct access to customers and suppliers. Moreover, digital financial services offer secure and transparent transactions, fostering trust and encouraging greater participation. Together, microfinance, financial inclusion, and technological advancements create a robust framework for women's



empowerment, driving economic growth and promoting gender equity in commerce and beyond.

Literature review

*Ankita Sharma (2012)*⁵ examined that the impact of NGO-SHG Bank Linkage program among the 226 microfinance beneficiaries from 60 Self Help Group (SHG's) of District Udhampur of J&K state. *M.B, D., and D. S. (2010)*⁶ considered that the subject of micro-finance as a significant emerging trend in the present scenario for the empowerment of women. Microfinance programs are promoted as an important strategy for women's empowerment. *P. Balamurugan and A. Selvaraj (2014)*⁷ stated that the levels of poverty are high and hence Self-Help Groups movement occupies a significant agenda in the poverty reduction and empowerment of poor women. Micro-finance is an essential institutional device for providing small credit to the rural people to alleviate poverty.

Significance of the Study

Women have been oppressed culturally, socially, economically, and politically. They are exploited at home, in the family, in society, and in the country. In the multi-racial and multicultural society that exists in India, this type of exploitation takes many forms. This type of overall improvement can be done by self-help groups. Joining self-help groups can help women gain greater control over resources such as material rights, intellectual resources such as knowledge, information, ideas, and decision-making at home, in the community, in society, and in the nation.

Objectives of the Study

1. To study the reach and impact of microfinance institutions (MFIs) in Beed district.
2. To evaluate the role of financial inclusion in improving the socio-economic status of women.
3. To study the change in social status of women due to micro finance.

Research Method

The present study is based on primary as well as secondary sources of data and a descriptive nature which describes. Primary data collected from well structured questionnaire. Researcher has selected 200 women as sample from Beed district in SHGs and who beneficiary of micro finance. Secondary data has collected from research journals, published data, books, magazines, research studies and other relevant documents, various reports and websites etc.

Sampling

For the present study the researcher has selected Beed district of Maharashtra state. All involved self-help groups related to Mahila Bank Linkage Program in the district and run by NGOs. For this, a total of 40 self-help groups in the district and 5 women in each group have been selected by convenience sampling method. Thus, a total of 200 women have been selected for the study.

Results and Discussions

The present study aims to analyze and interpret the primary data collected from the women beneficiaries of microfinance institutions and financial inclusion initiatives in the Beed district. This analysis helps to understand the actual role played by microfinance and financial inclusion in promoting women's empowerment in the region. The data gathered through structured questionnaires, interviews, and focus group discussions has been presented using appropriate statistical tools and methods.

The demographic profile of the respondents provides crucial background information for understanding the socio-economic context in which microfinance and financial inclusion programs operate in Beed district. A sample of 200 women beneficiaries



was considered for this study. The analysis of their age, marital status, literacy level, and occupation reveals important trends.

Table 1
Demographic Profiles of Respondents
Source: Field Survey

Sr. No.	Demographic Variables (Sample size 200)		
1.	Age (Years)	No. of Respondents	Percentage
	Below 25	28	14.00
	25 - 35	56	28.00
	35 – 45	90	45.00
	45 – 55	20	10.00
	Above 55	6	3.00
2.	Marital status	No. of Respondents	Percentage
	Married	192	96.00
	Unmarried	8	4.00
4.	Literacy level	No. of Respondents	Percentage
	Illiterate	24	12.00
	literate	176	88.00
5.	Occupation	No. of Respondents	Percentage
	House wife	104	52.00
	Service/business	36	18.00
	Farm worker	48	24.00
	Other	12	6.00

The age-wise classification of the respondents shows that the majority (45%) fall within the age group of 35 to 45 years, indicating that women in their economically productive and family-responsible age are most actively engaged in microfinance activities. This is followed by 28% of respondents aged 25 to 35 years, and 14% who are below 25 years, indicating a growing interest among younger women as well. A small proportion, 10%, belong to the 45–55 years group, and only 3% are above 55 years, reflecting lesser involvement of older women in such programs.

An overwhelming majority of the respondents (96%) are married, which suggests that microfinance initiatives primarily attract or target women with familial responsibilities. The 4% unmarried respondents may indicate either early economic independence or participation in family-run businesses or self-help groups (SHGs). Literacy is a crucial factor in understanding the reach and effectiveness of financial inclusion. The data reveals that 88% of respondents are literate, while 12% are illiterate. This indicates a relatively high level of basic literacy among rural women engaged with microfinance programs, which may facilitate better understanding of financial products and decision-making.

Regarding occupation, 52% of respondents are housewives, reflecting that a significant portion of women engaged in microfinance may not be formally employed but still contribute to household income through SHGs or micro-entrepreneurship. 24% work as farm laborers, indicating the importance of microfinance in supplementing agricultural



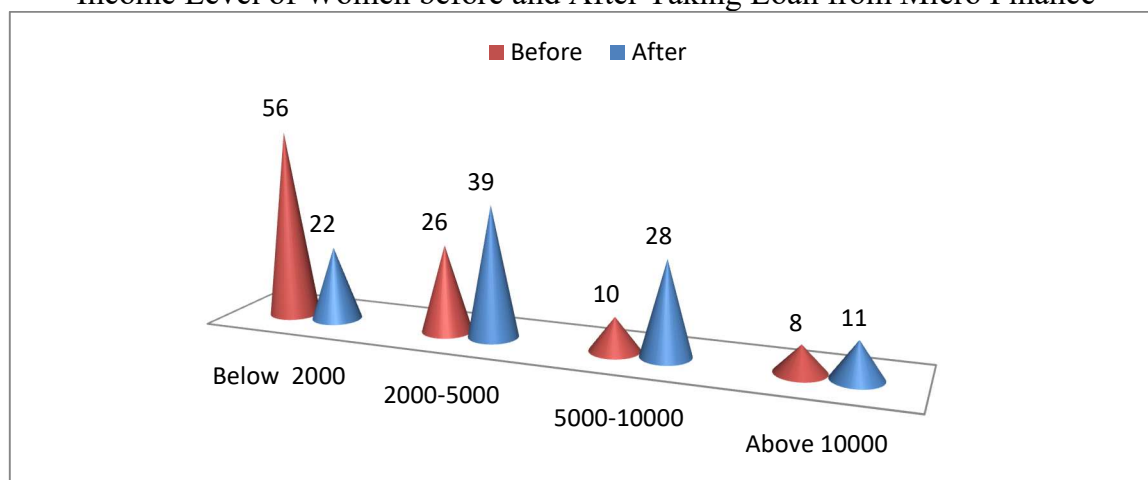
or seasonal incomes. Another 18% are engaged in service or business, showing active entrepreneurial participation. The remaining 6% are involved in other occupations, such as domestic work or tailoring. The demographic profile shows that microfinance and financial inclusion programs in Beed district largely cater to middle-aged, married, and literate women, with a mix of occupational backgrounds. This demographic base plays a critical role in determining the success and outreach of women-centric financial interventions in rural areas.

Table 2 -
Income level of Women

Monthly Income (in Rs.)	Before taking loan from micro finance institution		After taking loan from micro finance institution	
	No. of Respondents	Percentage	No. of Respondents	Percentage
Below 2000	112	56.00	44	22.00
2000-5000	52	26.00	78	39.00
5000-10000	20	10.00	56	28.00
Above 10000	16	8.00	22	11.00
Total	200	100.00	200	100.00

Source: Field Survey

Figure-1
Income Level of Women before and After Taking Loan from Micro Finance



In the table presented, information of women associated with self-help under micro-finance in Beed district in Maharashtra is given. Information related to monthly income of women has been collected after joining the self-help group. It was found that before joining the self-help group, the income level of the women was very low. Therefore, women earning less than 2000 were the maximum 56 per cent. While women earning monthly income more than Rs.10, 000 was the lower numbers. There has been a vast change in the monthly income level of women after taking loans from micro finance institutions. So it is clear that maximum 39 per cent: women receive monthly income Rs. 2000-.5000; 28 per cent women receive monthly income Rs. 5000-.10000 and 11 per cent women receive monthly income more than Rs.10000. While the percentage of women earning less than 2000 is the decline to 22%. (Table-2)

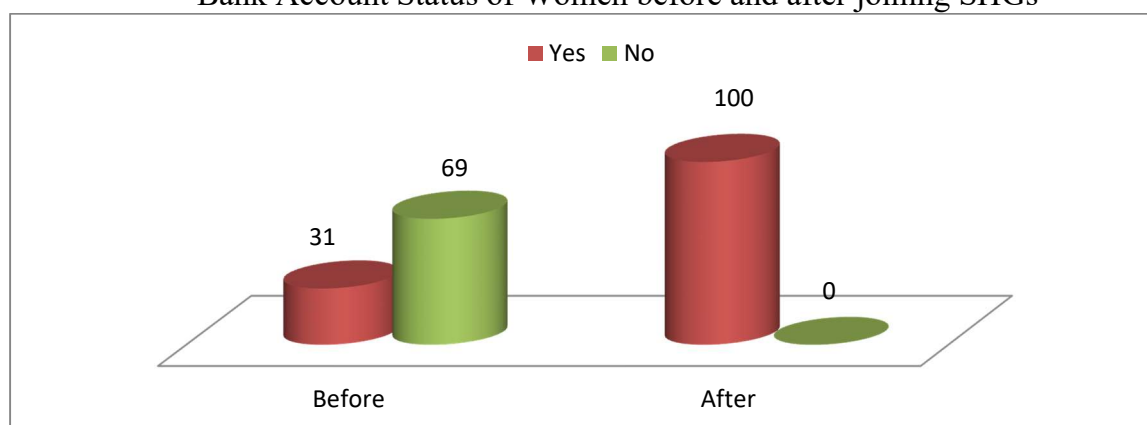


Table-3
Bank Account Status of Women

Do you have bank account	Before join SHGs			After join SHGs	
	No. of Respondents	Percentage		No. of Respondents	Percentage
Yes	62	31.00		200	100.00
No	138	69.00		0	0.00
Total	200	100.00		200	100.00

Source: Field Survey

Figure -2
Bank Account Status of Women before and after joining SHGs



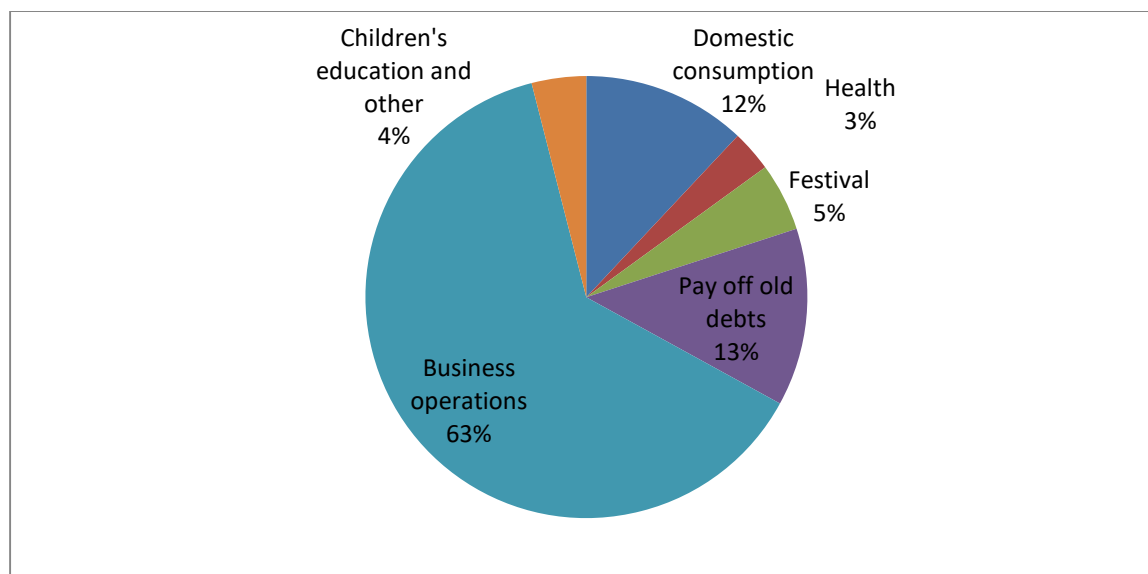
It was observed from table-3 that only 31 per cent of women had bank account, while after joining SHGs 100 per cent of women have bank account. (Figure-2)

Table-4
Information on Credit Consumption by Women

Loan utilization	No. of Respondents	Percentage
Domestic consumption	24	12.00
Health	6	3.00
Festival	10	5.00
Pay off old debts	26	13.00
Business operations	126	63.00
Children's education and other	8	4.00
Total	200	100.00

Source: Field Survey

In the table presented, information related to the consumption or use of loans given by micro finance institutions to women has been obtained. It is clear that maximum 63.00 per cent of the loan amount is used by women to set up their own business. While 12.00 per cent is done by women for domestic consumption and 13.00 per cent by women for repayment of old loans. The loan amount is used by the rest of the women for health, celebrations/festivals, children's education and other works.



Conclusion

The study highlights the significant impact of financial services on the socio-economic development of rural women. The findings reveal that access to microfinance has enabled women to participate in income-generating activities, increase household savings, and contribute to family welfare. Financial inclusion has also improved women's decision-making power, self-confidence, and financial literacy. Despite some challenges such as limited awareness, lack of collateral and institutional barriers, the overall influence of microfinance and inclusive banking has been positive. Most women respondents, particularly those associated with Self-Help Groups reported enhanced economic independence and social status. The study concludes that microfinance and financial inclusion are effective tools for empowering women in rural areas like Beed, provided that supportive infrastructure, continuous training, and policy backing are strengthened. Such efforts will ensure sustained empowerment and inclusive growth in marginalized communities.

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