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ROLE OF MICROFINANCE TO UPLIFT LIVING STANDARDS OF FEMALE BENEFICIARIES IN HARYANA STATE

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ABSTRACT
The present study attempts to analyse the impact of microfinance schemes on the living standards of female beneficiaries in selected districts of Haryana. Primary data have been collected through pre- structured questionnaire for this study. A sample of 200 female beneficiaries have been taken from four districts of the state Sirsa (50), Kaithal (50), Rohtak (50) and Gurgaon (50) of Haryana on the basis of judgment sampling. The collected data were analyzed with the help of Kruskal Wallis H-Test and ranking method. The findings indicate that improved access to banking institutions is placed at the top, followed by opportunities for acquiring new skills; better employment opportunities; improves decision making power; better life style of the family; improved asset possession of household like T.V, home computers, refrigerator etc.; more expenditure on the education of their children; increased per capita income etc. Statistically, the results of Kruskal Wallis H-test shows that there is significant difference in district wise female respondents' perception towards more expenditure on the education of their children (p=0.031); better employment opportunities; improved access to banking institutions (p=0.000) and improves decision making power (p=0.018), therefore the null hypothesis (H_{10}) is rejected. On the basis of study, it is suggested that the promoter and donor must come forward to provide skill development and training to the female members. Constant monitoring and collection of feedback from member SHGs is quite necessary therefore, the government should take necessary steps regarding the same.
KEYWORDS: *Microfinance, Female Beneficiaries, Microfinance schemes, Employment opportunities, SHG's.*

1. INTRODUCTION

Microfinance has become one among the foremost discussed subjects within the last 20 years everywhere the planet. Today microfinance programs and institutions became increasingly important components of strategies to scale back poverty or promote micro and little enterprise development **(Singh, 2009**). For Van Maanen, "Microfinance is banking the unbankables, bringing credit, savings and other essential financial services within the reach of many people that are too poor to be served by regular banks, in most cases because they're unable to supply sufficient collateral" **(Maanen, 2004)**. Micro finance acts because the means to financial security for them. during a country like India with almost 30 percent (more than 360 million) people still below poverty level and consistent with latest census figures, quite 70 percent or 840 million people living in rural areas with little or no access to formal banking and other financial services, microfinance features a big role to play so as to bridge this gap **(Bhatiya, Shivakumar and Agarwal, 2016)**. Micro finance plays an input auxiliary role in creation of employment and productive assets for the poor. There are two dimensions of the impact of micro finance. Firstly, it facilitates the SHG members generally and increases their income which helps in strengthening their livelihood, increases the self-worth in managing their micro finance programmes. The strategy for poverty reduction accelerate the rapid economic process with attention on micro finance, access to basic minimum services for improving the standard of lifetime of poorest of poor; and direct state intervention within the sort of targeted antipoverty programmes. Rural development is primarily concerned with addressing the requirements of the agricultural poor within the matter of sustainable economic activities. Micro credits are enough for innovative and hardworking micro entrepreneurs to start out small business like making handicraft items. From the income of those small businesses the borrowers of microcredit can enjoy better life, food, shelter, health care and education for his or her families and in particular these small earnings will provide a hope for better future **(Balamurugan 2014)**.

2. REVIEW OF LITERATURE

Bakhtiari (2006) argued that microfinance are often considered a crucial element for an efficient poverty reduction strategy. He showed that access and efficient provision of microcredit can enable the poor to smooth their consumption, better manage their risks better, gradually build their assets, developed their micro enterprises, enhances their income earning capacity, and enjoyed an improved quality of life. Microfinance services also can contribute to the development of resource allocation, promotion of markets, and adoption of higher technology; thus, microfinance helps to market economic process and development. Also the characteristics of financial systems in developing counties was be discussed and argued that formal financial sector was not

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consistent with the needs and requirements of the poor and the existence of informal financial sector may be a response to the shortcomings of the formal financial sector. **Shirazi and khan (2009)** explained that different strategies have been adopted in Pakistan for the purpose, which include special programs and short-term measures targeted towards improving the earning capacity of masses and provision of social safety nets for the really poor. With a view to reinforce the access of the low-income communities to socio-economic services, the govt of Pakistan has found out an independent and professionally managed unit, the Pakistan Poverty Alleviation Fund (PPAF). PPAF continuously monitors and analyzes effectiveness of its programs. This paper attempted to quantify the impact of PPAF micro credit on poverty alleviation. Data collected in Gallup (2005) has been utilized for the aim. Counter-factual Combined approach' has been employed in the analysis. The Paper concluded that Micro credit has reduced poverty by 3.05 percentage points in the period under study. **Anila (2012)** examined the role of SHG in developing socio economic status of rural women, and to identify the satisfaction level of self-help group members in SHG activities. There were 18985 SHGs in Tirunelveli district. Consisting of 19 blocks, among the block, Nanguneri block was selected for this study, the researcher had selected 12 groups at random. From these selected SHGs, 120 members had been selected to collect the necessary primary data. The chi-square test and average method was used as statistical tools for analyzing the data and testing the hypothesis. The conclusion of this paper was Self Help Group is an important tool which helps the rural women to acquire power for their self supportive life and nation building efforts. **Weerasinghe and dedunu(2017)** investigated the impact of microfinance on living standard of poor in Kurunegala District, Sri Lanka touching three main fillers of microfinance as Micro credit, Advisory services and Micro saving. All micro loan holders in the District were population of the study in which 152 respondents were selected as sample on random sampling method. Data were collected through research administrated questionnaires and analyzed using SPSS package. The result of this study indicated statistically significant associations between micro credit, advisory support, saving and living standard of poor people. Similarly, regression result also indicated significant impacts of micro loan, advisory support and micro saving on living standard of the poor in the area. Based on the findings study recommends micro finance institutions to provide more micro loan options with advisory support about management of loan, start business, prepare business plan, identify customer requirement through continuous training program to enhance living standard and entrepreneurial skills of the poor people. Further, study recommends microfinance institutes to attract poor around companies proving attractive saving options to enhance standard of living of poor in the area. **Mohd (2018)** emphasized on the role of microfinance institutions in the development of India. The study revealed that the number of MFIs availing loans from banks during the year 2015-16 and 2016-17 increased from 9.8 per cent to 257.6 percent. The total loans to MFIs by banks decreased during 2016-17 by 7.2 per cent over the previous year. The loan outstanding against MFIs increased all the subsequent years. It increased by 13.7 per cent and 14.3 per cent in 2015-16 and 2016-17. It is further found that the business models of MFIs in India are becoming urban centric as is indicated by the fact that the share of rural client's base of different states/UTs in 2017 with 2016 has declined, except Assam, Arunachal Pradesh, Nagaland, Jammu & Kashmir and Andaman. The highest increase was in Andaman (267%) followed by Jammu & Kashmir (17%). The proportion of income generation loan remained same during year 2015 and it increased up to 94 per cent in the year 2017. The indicators relating to overall financial structure such as Return on assets and Return on equity, capital adequacy ratio have increased over this period and found sharp decline in total assets of MFI's.

3. OBJECTIVE OF THE STUDY

The present study is conducted to identify the role of microfinance to uplift the living standards of female beneficiaries in selected districts of state of Haryana.

Research Hypothesis

H_{01}: There is no significant difference in the viewpoint of female respondents of the selected districts towards the impact of microfinance on the living standard of female beneficiaries.

H_{0a}: There is significant difference in the viewpoint of female respondents of the selected districts towards the impact of microfinance on the living standard of female beneficiaries.

4. RESEARCH METHODOLOGY

To achieve the objective of the study, a sample of 200 female respondents (SHGs) in four districts is taken on the basis of judgment sampling *i.e.* Sirsa (50), Kaithal (50), Rohtak (50), and Gurgaon (50) to know the impact of microfinance on the living standards of beneficiaries. The primary data have been collected through pre-tested structured questionnaire. Secondary data have been collected from various Journals, Magazines and Annual Reports of the selected organizations. The collected data were analysed with the help of mean and standard deviation. Further, Kruskal Wallis H-Test has been applied to test the validity of the results.

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5. RESULTS AND DISCUSSION

Table 1 shows the analysis of female respondents' perception towards impact of microfinance to uplift the living standard of female beneficiaries in related districts. Opportunities for acquiring new skills is placed at the top (Mean=4.00, SD=0.00) in Sirsa; followed by better employment opportunities (Mean=4.00, SD=0.40); improves decision making power (Mean=3.92, SD=0.44); improved access to banking institutions (Mean=3.88, SD=0.48); better life style of the family (Mean=3.70, SD=0.65); improved asset possession of household like T.V, home computers, refrigerator *etc*.(Mean=3.44, SD=0.76); better food consumption pattern (Mean=3.34, SD=0.75); improves socio-economic status (Mean=3.34, SD=0.82); more expenditure on the education of their children (Mean=3.28, SD=0.90); increased access to productive assets (Mean=3.26, SD=0.85); increased per capita income (Mean=3.22, SD=0.89); affordable access to quality healthcare (Mean=3.14, SD=0.90); easy affordability of housing (Mean=3.02, SD=0.87); more spending on clothes (Mean=2.74, SD= 0,66); less time required to purchase the household necessities (Mean=2.56, SD=0.79) and increase in the number of vocation days (Mean=2.42, SD=0.64).

The female respondents' perception in Kaithal district explained that improved access to banking institutions (Mean=4.16, SD=0.51) is placed at the top, followed by opportunities for acquiring new skills (Mean=3.98, SD=0.32); improves decision making power (Mean=3.92, SD=0.44); better employment opportunities (Mean=3.88, SD=0.56); better life style of the family (Mean=3.70, SD=0.61); improved asset possession of household like T.V, home computers, refrigerator *etc*. (Mean=3.46, SD=0.79); more expenditure on the education of their children (Mean=3.44, SD=0.70); increased per capita income (Mean=3.42, SD=0.86); affordable access to quality healthcare (Mean=3.40, SD=0.76); improves socio-economic status (Mean=3.36, SD=0.88); increased access to productive assets (Mean=3.30, SD=0.81); better food consumption pattern (Mean=3.24, SD=0.87); easy affordability of housing (Mean=2.96, SD=0.95); more spending on clothes (Mean=2.64, SD=0.72); increase in the number of vocation days (Mean=2.40, SD=0.78) and less time required to purchase the household necessities (Mean=2.46, SD=0.79).

The female respondents' perception in Rohtak district depict that improved access to banking institutions (Mean=4.18, SD=0.39) is placed at the top, followed by opportunities for acquiring new skills (Mean=3.98, SD=0.47); better employment opportunities (Mean=3.96, SD=0.35); better life style of the family (Mean=3.84, SD=0.55); improved asset possession of household like T.V, home computers, refrigerator *etc*. (Mean=3.70, SD=0.74); increased access to productive assets (Mean=3.46, SD=0.68); improves decision making power (Mean=3.56, SD=0.76); more expenditure on the education of their children (Mean=3.44, SD=0.76); increased per capita income (Mean=3.42, SD=0.84); better food consumption pattern (Mean=3.40, SD=0.88); improves socio-economic status (Mean=3.36, SD=0.88); affordable access to quality healthcare (Mean=3.18, SD=0.94); easy affordability of housing (Mean=2.90, SD=0.81); more spending on clothes (Mean=2.54, SD= 0.89); less time required to purchase the household necessities (Mean=2.46, SD=0.79) and increase in the number of vocation days (Mean=2.08, SD=0.57).

The female respondents' perception in Gurgaon district revealed that improved access to banking institutions (Mean=4.14, SD=0.51) is placed at the top, followed by better employment opportunities (Mean=4.10, SD=0.91); opportunities for acquiring new skills (Mean=3.99, SD=0.55); better life style of the family (Mean=3.76, SD=0.77); more expenditure on the education of their children (Mean=3.76, SD=1.06); improves decision making power (Mean=3.74, SD=0.90); increased per capita income (Mean=3.60, SD=1.01); increased access to productive assets (Mean=3.54, SD=0.76); improved asset possession of household like T.V, home computers, refrigerator *etc*. (Mean=3.42, SD=0.95); affordable access to quality healthcare (Mean=3.18, SD=0.94); improves socio-economic status (Mean=3.40, SD=1.01), better food consumption pattern (Mean=3.38, SD=1.05); easy affordability of housing (Mean=3.18, SD=0.96); more spending on clothes (Mean=2.54, SD= 0.89); less time required to purchase the household necessities (Mean=2.86, SD=1.20) and increase in the number of vocation days (Mean=2.40, SD=1.18).

The overall female respondents' perception in four districts shows that improved access to banking institutions (Mean=4.14, SD=0.51) is placed at the top, followed by opportunities for acquiring new skills (Mean=3.99, SD=0.60); better employment opportunities (Mean=3.99, SD=0.60); improves decision making power (Mean=3.79, SD=0.68); better life style of the family (Mean=3.75, SD=0.65); improved asset possession of household like T.V, home computers, refrigerator *etc*. (Mean=3.51, SD=0.81); more expenditure on the education of their children (Mean=3.48, SD=0.88); increased per capita income (Mean=3.42, SD=0.90); increased access to productive assets (Mean=3.39, SD=0.78); affordable access to quality healthcare (Mean=3.35, SD=0.85); better food consumption pattern (Mean=3.34, SD=0.89), improves socio-economic status (Mean=3.32, SD=0.91); easy affordability of housing (Mean=3.02, SD=0.90); more spending on clothes (Mean=2.70, SD= 0.91); less time required to purchase the household necessities (Mean=2.61, SD=0.93) and increase in the number of vocation days (Mean=2.33, SD=0.84).

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Statistically, the results of Kruskal Wallis H-test shows that there is no significant difference among the district-wise female respondents' perception towards increased per capita income (p=0.258); better food consumption pattern (p=0.772); affordable access to quality healthcare (p=0.270); more spending on clothes (p=0.604); less time required to purchase the household necessities (p=0.345); easy affordability of housing (p=0.460); improved asset possession of household like T.V, home computers, refrigerator *etc* (p=0.305); increase in the number of vocation days (p=0.140); increased access to productive assets (p=0.261); opportunities for acquiring new skills (p=0.160); improves socio-economic status (p=0.645) and better life style of the family (p=0.689), therefore the null hypothesis (H_{10}) is accepted. There is significant difference in district wise female respondents' perception towards more expenditure on the education of their children (p=0.031); better employment opportunities; improved access to banking institutions (p=0.000) and improves decision making power (p=0.018), therefore the null hypothesis (H_{10}) is rejected.

6. IMPLICATION OF THE STUDY AND RECOMMENDATIONS

The results of the study concluded that the role of microfinance to uplift the living standards of female beneficiaries are improved access to banking institutions, opportunities for acquiring new skills; better employment opportunities; improves decision making power; better life style of the family; improved asset possession of household like T.V, home computers, refrigerator *etc*.; more expenditure on the education of their children; increased per capita income; increased access to productive assets; affordable access to quality healthcare; better food consumption pattern, improves socio-economic status; easy affordability of housing; more spending on clothes; less time required to purchase the household necessities and increase in the number of vocation days. The study suggested that the government should organize workshops and seminars for awareness about financial literacy and training programs to improve the quality of product and services. The banks and other supporting agencies should provide proper guidance and support for the smooth running of the group.

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Table 1: Impact of Microfinance on the Living Standards of Beneficiaries

Statements	Sirsa			Kaithal			Rohtak			Gurgaon			Total			H test	
	Mean	S.D	Rank	Mean	S.D	Rank	Mean	S.D	Rank	Mean	S.D	Rank	Mean	S.D	Rank	χ^2	Sign.
Increased per capita income	3.22	0.89	11	3.42	0.86	8	3.42	0.84	11	3.60	1.01	7	3.42	0.90	8	4.033	0.258
Better food consumption pattern	3.34	0.75	7	3.24	0.87	12	3.40	0.88	12	3.38	1.05	12	3.34	0.89	11	1.121	0.772
More expenditure on the education of their children	3.28	0.90	9	3.44	0.70	7	3.44	0.76	8	3.76	1.06	5	3.48	0.88	7	8.872	0.031*
Affordable access to quality healthcare	3.14	0.90	12	3.40	0.76	9	3.42	0.78	9	3.42	0.95	10	3.35	0.85	10	3.922	0.270
More spending on clothes	2.74	0.66	14	2.64	0.72	14	2.60	0.97	14	2.80	1.20	15	2.70	0.91	14	1.852	0.604
Less time required to purchase necessities	2.56	0.79	15	2.46	0.79	16	2.54	0.89	15	2.86	1.20	14	2.61	0.93	15	3.321	0.345
Easy affordability of housing	3.02	0.87	13	2.96	0.95	13	2.90	0.81	12	3.18	0.96	13	3.02	0.90	13	2.588	0.460
Batter employment opportunities	4.00	0.40	2	3.88	0.56	4	3.96	0.35	3	4.10	0.91	2	3.99	0.60	3	9.729	0.021*
Improved asset possession of household like T.V, home computers, refrigerator, *etc.*	3.44	0.76	6	3.46	0.79	6	3.70	0.74	5	3.44	0.95	9	3.51	0.81	6	3.621	0.305
Improved access to banking institutions	3.88	0.48	4	4.16	0.51	1	4.18	0.39	1	4.32	0.55	1	4.14	0.51	1	20.220	0.000*
Increase in the number of vocation days	2.42	0.67	16	2.40	0.78	15	2.08	0.57	16	2.40	1.18	16	2.33	0.84	16	5.477	0.140
Increased access to productive assets	3.26	0.85	10	3.30	0.81	11	3.46	0.65	7	3.54	0.76	8	3.39	0.78	9	4.008	0.261
Opportunities for acquiring new skills	4.00	0.00	1	3.98	0.32	2	3.98	0.47	2	4.00	0.95	3	3.99	0.55	2	5.170	0.160
Improves decision making power	3.92	0.44	3	3.92	0.44	3	3.56	0.76	6	3.74	0.90	6	3.79	0.68	4	10.071	0.018*
Improves socio-economic status	3.34	0.82	8	3.36	0.88	10	3.18	0.94	10	3.40	1.01	11	3.32	0.91	12	1.664	0.645
Better life style of the family	3.70	0.65	5	3.70	0.61	5	3.84	0.55	4	3.76	0.77	4	3.75	0.65	5	1.473	0.689

Source: Survey