A Study on

"Evaluating The Impact of Microfinance on Rural Women's Economic Empowerment."

A dissertation submitted to the Department of Social Work for the partial fulfilment of the requirement for the award of the Degree of Master of Social Work



SUBMITTED TO

Department of Social Work
MSSV, Guwahati Unit

SUBMITTED BY

Bhaswati Dutta

MSW 4th Semester

Registration No: - MSW-0023-008-001427

Roll No: - MSW 07/23

Session: 2023-2025

MAHAPURUSHA SRIMANTA SANKARADEVA VISWAVIDYALAYA GUWAHATI UNIT, RUPNAGAR 781032, ASSAM

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মহাপুৰুষ শ্ৰীমন্ত শঙ্কৰদেৱ বিশ্ববিদ্যালয় MAHAPURUSHA SRIMANTA SANKARADEVA VISWAVIDYALAYA

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CERTIFICATE

I have the pleasure to certify that Miss Bhaswati Dutta, MSW 4th Semester student bearing Roll No: MSW-07/23 with Registration No: MSSV-0023-008-001427 of 2023, MSSV has successfully completed the dissertation entitled "A study on Evaluating The Impact of Microfinance on Rural Women's Economic Empowerment".

She has made a successful completion of this research by her own.

I wish her bright future.

Dr. Deepshikla Carpenter) HOD (i/c) Department of Social Work Guwahati Unit, MSSV, Nagaon

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পুৰুষ শ্ৰীমন্ত শঙ্কৰদেৱ বিশ্ববিদ্যালয়

MAHAPURUSHA SRIMANTA SANKARADEVA VISWAVIDYALAYA

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This is to certify that Miss Bhaswati Dutta, student of MSW 4th Semester bearing Roll No: MSW-07/23 with Registration No: MSSV-0023-008-001427 of 2023, MSSV, Guwahati Unit has successfully carried out her dissertation entitled "A study on Evaluating The Impact of Microfinance on Rural Women's Economic Empowerment", as a researcher under my supervision and guidance for the partial fulfilment of the requirement for the award of the degree of MASTER OF SOCIAL WORK (MSW).

The work reported in this research has not been submitted elsewhere and the facts presented here are true to the best of my knowledge.

I wish her all the very best for her future endeavour.

Place: MSSV, Guwahati unit

Date: 11.06,2025

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DECLARATION OF ORIGINALITY

I, Miss Bhaswati Dutta, student of 4th Semester, Department of Social Work, (Roll No. MSW 07/23 and Registration No: MSSV-0023-008-001427 of 2023), Mahapurusha Srimanta Sankaradeva Viswavidyalaya, Guwahati Unit, hereby declare that the research study titled " A Study on Evaluating The Impact of Microfinance on Rural Women's Economic Empowerment " is my original work under the guidance of Dr. Monalisha Phukan Roy, Assistant Professor, Department of Social Work, MSSV, Guwahati Unit., and that all sources used in the study have been properly cited and acknowledged.

I affirm that this research study has not been previously submitted for academic credit or publication, nor has it been copied or plagiarized in whole or in part from any other source.

I confirm that all data collected for the research study has been obtained through ethical means, and that all participants involved in the study were informed about the purpose and nature of the research, and gave their informed consent to participate.

Bhaswati Dutta
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Roll No. MSW 07/23

Registration No. MSSV-0023-008-001427

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ABBREVIATION

AMIRS-Assam Microfinance Incentive and Relief Scheme

ASRLM-Assam State Rural Livelihoods Mission

SHG-Self-Help Group

ARTFED-Assam Apex Weavers and Artisans Co-operative Federation Ltd.

NBCFDC-National Backward Classes Finance and Development Corporation

OBC-Other Backward Classes

MFIs-microfinance institutions

ABSTRACT

Microfinance has emerged as a vital tool for promoting financial inclusion and uplifting marginalized communities, particularly women in rural areas. This qualitative study explores the impact of microfinance on the economic empowerment of rural women in Kakodonga, Golaghat, district of Assam. Adopting an exploratory research design, the study used semi-structured interviews and direct observations to collect in-depth data from purposively selected women beneficiaries and microfinance facilitators. The findings reveal that access to microfinance has significantly contributed to improved financial independence, decision-making ability, and entrepreneurial engagement among rural women. Participants reported increased income generation, savings habits, and enhanced participation in household and community-level decisions. However, the study also identified key challenges, including loan repayment pressure, limited financial literacy, group conflict, and restricted mobility, which sometimes hinder the full realization of empowerment. Despite these barriers, the role of microfinance institutions was largely perceived as transformative, fostering not only economic stability but also social confidence and a sense of self-reliance among the women. The study underscores the importance of combining financial services with capacitybuilding programs to strengthen sustainable empowerment.

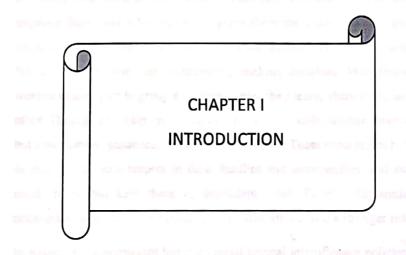
Recommendations include offering training on financial planning and business skills, ensuring flexible loan terms, improving grievance redress mechanisms, and encouraging family and community support. The study concludes that microfinance, when effectively implemented, can serve as a catalyst for holistic development and longterm empowerment of rural women.

Keywords: Microfinance, rural women, economic empowerment, financial inclusion, self-help groups, income generation, decision-making, financial literacy, rural development, women's agency.

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Microfinance has become an important tool for helping people in rural and urban areas to improve their lives. It involves giving small loans or financial support to individuals who don't have access to regular banking services, especially women in rural areas or low-income communities, people often face poverty and lack resources to improve their situation. In urban areas too, many low-income families use microfinance to support small businesses and improve their income. Microfinance can give them a chance to start small businesses, manage money better, and improve their quality of life.

For many rural women, microfinance is not only a financial service but also a way to improve their lives with dignity. It gives them the chance to start small businesses, become self-employed, and earn their own income. This helps them support their families and become more confident in making decisions. Microfinance also allows women to take part in group activities, where they learn, share ideas, and support each other. Through self-help groups and cooperative models, women receive not just loans but also training, guidance, and emotional support. These experiences help women grow as individuals, gain respect in their families and communities, and slowly break the social rules that kept them in dependent roles. From a humanities perspective, microfinance helps women build identity, confidence, and a stronger role in society.

In Assam, the government has introduced several microfinance policies to support the economic empowerment of women, especially in rural areas.

> Assam Microfinance Incentive and Relief Scheme [AMFIRS], 2021

The government of Assam launched the scheme in year of 2021 to support poor women who had taken microfinance loans. Due to financial struggles many women were unable to repay on their loans in time. This is also led to pressure, stress and financial difficulties for many families. This scheme benefited over 12 lakh women in Assam and helped restore their creditworthiness, confidence, and peace of mind.

The scheme provides:

 Incentives to regular payers: Women who repaid their loans regularly received financial rewards.

- Relief to defaulters: Women who had unpaid loans (especially below ₹25,000)
 were given financial support to clear their dues.
- No Due Certificates: After clearing their loans with the help of this scheme, women received official certificates to show they had no more loan burden.

Assam State Rural Livelihoods Mission (ASRLM)

The Assam State Rural Livelihoods Mission (ASRLM) is part of the National Rural Livelihoods Mission (NRLM), it is supported by the Ministry of Rural Development, Government of India. It aims to reduce poverty by helping rural women to improve their income and living conditions through self-employment and group-based financial activities. It plays a major role in building women's confidence, improving family income, and increasing community participation. It is one of the most important microfinance-related initiatives in Assam.

Important features:

- Promote Self-Help Groups (SHGs): ASRLM helps form SHGs where rural women can save money together, take small loans, and support each other.
- Easy access to credit: These SHGs are linked to banks so women can get lowinterest loans for income-generating activities.
- Skill development: Women receive training in business, farming, and crafts to improve their livelihood options.
- Empowerment and leadership: Women learn to manage finances, speak in public, and take leadership roles in their communities.

Mahila Samriddhi Yojana

It is a government scheme that aimed to supporting women from backward and economically weaker sections, especially in both rural and urban areas. In Assam, it is implemented through the Assam Apex Weavers and Artisans Co-operative Federation Ltd. (ARTFED) with support from the National Backward Classes Finance and Development Corporation (NBCFDC).

The scheme provides:

- Microloans for women: The micro loan scheme offers small loans to help them start or expand small businesses like weaving, tailoring, farming, or shops.
- Target group: Women belonging to Other Backward Classes (OBC) and other disadvantaged communities.
- Training and support: Along with loans, women receive basic training in skills and business management.

> SWANIRBHAR NAARI SCHEME

On 19 July in Dispur, the Government of Assam took a significant step in preserving and promoting indigenous culture by launching the "Swanirbhar Naari" initiative. Lead by Chief Minister Dr. Himanta Biswa Sarma at Srimanta Sankardeva Kalakshetra in Guwahati, the scheme aims to empower local weavers especially women by directly connecting them with markets and eliminating middlemen. This initiative is not just an economic reform; it is a recognition of the social and cultural importance of handloom weaving in Assam. Weaving is closely connected to the traditions of various communities across the state and their handwoven products such as Gamosa represent Assamese heritage and identity.

Speaking at the event, Chief Minister Sarma acknowledged the handloom sector as a pillar of Assam's economy and cultural legacy. He also noted how Prime Minister Narendra Modi's promotion of the Gamosa has brought national attention to this cultural symbol, encouraging further efforts to raise awareness and pride in Assamese handloom products.

This study aims to evaluate the impact of microfinance on the economic empowerment of rural women. It will examine how access to microfinance services such as small loans and savings helps women increase their income, start or expand small businesses, and gain financial independence. The research will also explore whether microfinance helps women take part in household decision-making and improves their role and status within the community.

the study will identify the key challenges that rural women face in accessing and using microfinance effectively. These may include difficulties in loan repayment, lack of awareness, or limited support systems. By studying both the positive impacts and the obstacles, this research will provide a balanced view of how microfinance influences women's lives.

This study will help to understand how microfinance can support rural women in becoming more self-reliant and financially secure. It will also suggest ways to improve existing microfinance programs so that more women can benefit. By focusing on both the strengths and limitations of microfinance, this research hopes to support policies and practices that truly empower rural women and help them lead more independent and respected lives.

1.1 OPERATIONAL DEFINITION

Microfinance: Microfinance refers to small-scale financial services such as loans, savings, and credit provided by microfinance institutions (MFIs), self-help groups (SHGs), and government schemes to rural women. It includes formal and informal financial support aimed at improving their income and livelihood.

Rural Women: Rural women are defined as women living in villages or semi-urban areas who are involved in household work, small businesses, farming, weaving, or other informal sector activities. These women may or may not have formal education but are active participants in their family Economic and community life.

Economic Empowerment: Economic empowerment in this study means the ability of rural women to earn an income, save money, make financial decisions independently, start or expand small businesses, and contribute financially to their families. It also includes having access to resources and opportunities that improve their financial stability.

Income Generation: Income generation refers to the activities carried out by rural women such as weaving, petty trade, farming, or small enterprises through which they earn money, especially using microfinance support.

Financial Decision-Making: This term refers to a woman's ability to participate in or take independent decisions regarding household expenses, savings, investments, or loan usage.

Small Business Development: In this study, it means starting or improving a small business using microfinance services. Examples include tailoring, livestock rearing, vegetable vending, or handloom weaving.

Challenges: Challenges refer to the problems or barriers faced by rural women in accessing, using, or repaying microfinance. These may include high interest rates, lack of financial knowledge, family pressure, or difficulty in running a business.

1.2STATEMENT OF THE PROBLEM

In many rural areas especially in Assam, women face limited access to financial resources, decision-making power, and opportunities for income generation. Due to social and economic barriers, rural women often remain dependent on male family members for financial needs and are excluded from formal economic systems.

Microfinance schemes are usually made up of small loans, savings schemes, and occasionally skills development training provided to poor and marginalized people, mainly women, who are not included in mainstream banking services. The concept of microfinance is not only to loan money, but also to ensure self-sustainability, build women's confidence, and allow them to be more engaged in the economic and social life. Through grouping women in self-help groups (SHGs) and developing collective responsibility, these programs seek to provide an enabling environment where women can develop together, learn from each other. However, the real impact of these programs is still unclear. Some women succeed and gain confidence, while others face difficulties in repayment, pressure from family, or lack of training and support.

While programs of microfinance have been implemented at large scales and have been in great demand among development practitioners and policymakers, their true impact on the lives of women remains controversial. Although there are heartwarming tales of women who have employed microloans to establish small businesses, become economically independent, and lead their communities from the front, there are far too many instances where things do not go so well. Irregular income or failed business attempts lead some women to fail to repay their loans, while others suffer additional pressure from family members to give away their income. In certain cases, the stress of repayment, along with a shortage of appropriate financial training or guidance, can even result in increased stress and dependency, instead of empowerment.

This study arises from the need to deeply understand how microfinance affects the everyday lives of rural women not just in numbers, but in their personal journeys of growth, struggle, and change. It explores whether microfinance truly helps women become more economically and socially empowered, or if there are still barriers holding them back. The aim is to listen to women's own stories and experiences, and to understand how such programs can better serve their dreams for a more secure and respected life.

1.2 SIGNIFICANCE OF THE STUDY

This study is important because it focuses on rural women who are part of microfinance programs. especially within the context of Assam. In most villages throughout the state, women still experience systemic limits that restrict their access to economic opportunities, financial control, and business ownership. As a result of dominant gender norms, poor education, and restricted freedom of movement, women usually remain financially reliant on male family members for support, thus preventing them from developing and being empowered in general.

With its focus being women engaged in microfinance programs, this study is concerned with how these programs affect their economic empowerment. In particular, it tries to learn if and how microfinance helps women earn income, start or increase small

enterprises, and contribute to household and community development. Microfinance products, such as small credit, saving mechanisms, and in a few instances, financial education training, aim at increasing women's economic autonomy and their confidence. This research will assess whether or not these services have actually empowered rural women to take control of their lives and decision-making.

As well as examining the beneficial effects of microfinance, including higher income, enhanced social status, and individual development, the research aims to reveal also the difficulties experienced by women in these programs. These can include challenges in loan repayment based on irregular income, insufficient training, and limited freedom in the usage of the loan funds.

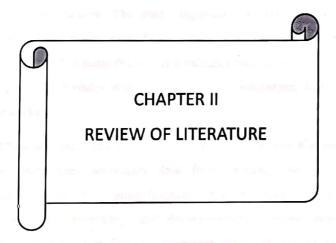
Overall, the purpose of this study is to provide useful information about how microfinance programs can be designed to better address the unique needs and goals of rural women. The research will also understand the impact that microfinance has had on women's lives. How they help them earn income, and also what benefits microfinance has brought, what challenges they have faced such as pressure to repay loans, lack of training.

1.40BJECTIVES OF THE STUDY

- 1. To evaluate the impact of microfinance on women's income generation and business development.
- 2. To identify the challenges face in rural women to using microfinance effectively.

1.5 RESEARCH QUESTIONS

- 1. What are the key challenges faced by rural women in accessing and utilizing microfinance services effectively?
- 2. In what ways does microfinance contribute to improving the confidence, social status, and community participation of rural women?



George, B. (2014) conducted a study on 'A Review of Literature on Micro Finance and Women Empowerment 'on the study, Microfinance has played a significant role in empowering women, particularly in rural areas. The author discusses how microfinance initiatives provide women with access to credit, which helps them start small businesses, improve household income, and gain financial independence. The study highlights that women who participate in microfinance programs experience increased decision-making power within their families and communities. The literature also points out challenges, such as high-interest rates, difficulties in loan repayment, and the risk of over-indebtedness. While microfinance contributes to economic empowerment, its impact on social empowerment varies. Some women face restrictions from their families despite earning an income. The study suggests that training and financial literacy programs should accompany microfinance to ensure its long-term benefits. Overall, the authors emphasizes that microfinance is a valuable tool for women's empowerment but should be part of a broader strategy that includes education, skill development, and support networks.

Babu (2017) conducted a study on 'Role of Micro-Finance in Women Empowerment in India' The study uses secondary data from reports, journals, and government publications to assess how microfinance initiatives have contributed to financial independence, entrepreneurship, and decision-making power among women. The findings suggest that microfinance programs have helped women improve their economic conditions by providing access to credit and fostering self-employment opportunities. Women participating in these programs reported increased confidence, greater control over household finances, and active involvement in community development. However, challenges such as high-interest rates, limited financial literacy, and lack of proper training remain barriers to achieving full empowerment. The authors recommend implementing financial literacy programs, skill development initiatives, and flexible repayment structures to enhance the effectiveness of microfinance. They also emphasize the importance of promoting Self-Help Groups (SHGs) to strengthen collective empowerment. The study concludes that while microfinance has significantly

contributed to women's empowerment, a more holistic approach is needed to maximize its impact.

Saini et al (2017) conducted a study on 'A Conceptual Study of Microfinance in India' explores the role and impact of microfinance in India. The authors discuss how microfinance helps in providing financial services to low-income individuals, especially in rural areas. They highlight the importance of microfinance institutions (MFIs) in promoting financial inclusion and supporting small businesses. One of the key points of the study is how microfinance empowers women by giving them access to credit and helping them start their own businesses. The authors also explain the challenges faced by the microfinance sector, such as high interest rates, repayment issues, and regulatory concerns. The article provides a clear overview of microfinance, making it useful for students, researchers, and policymakers. However, it would have been more insightful if the authors included more recent data or case studies. Overall, this study is a valuable contribution to understanding the role of microfinance in India's economic empowerment.

Khan et al (2020) conducted a study on 'Microfinance and women entrepreneurship: An extant literature review' authors provide an extensive review of existing literature on the relationship between microfinance and women entrepreneurship. The authors highlight how microfinance plays a crucial role in empowering women by providing them with financial resources to start and expand businesses. They discuss various studies that show how access to credit helps women gain financial independence, improve their standard of living, and contribute to economic growth. The article also examines challenges in microfinance, such as high-interest rates, lack of financial literacy, and difficulties in loan repayment. The authors emphasize the need for proper training, government support, and policy reforms to maximize the benefits of microfinance for women entrepreneurs. Overall, the article presents a well-structured review of previous research, showing both the opportunities and limitations of microfinance in promoting women's entrepreneurship. It is a useful resource for understanding the impact of financial inclusion on women's economic empowerment.

However, future studies could focus more on real-life success stories and strategies to overcome existing challenges.

Bel Hadj Miled (2021) conducted a study on 'Microfinance and women entrepreneurship development: Evidence from Tunisia' the authors examine the role of microfinance in fostering women's entrepreneurship in Tunisia. It highlights how access to microfinance services such as loans, savings, and financial training empowers women to start and expand businesses, thereby improving their economic and social status. The study emphasizes that microfinance contributes to women's financial independence and business sustainability. However, it also identifies several challenges, including limited financial literacy, difficulties in loan repayment, and socio-cultural barriers that hinder women's entrepreneurial growth. The author suggests that beyond providing financial support, microfinance institutions should also offer training and mentorship programs to enhance women's business skills and long-term success. Overall, the article provides valuable insights into the positive impact of microfinance on women entrepreneurs in Tunisia while also addressing the challenges that need to be overcome. The research supports the idea that microfinance can be a powerful tool for women's empowerment, but its effectiveness depends on complementary support services and policy initiatives.

Khursheed et al (2021) conducted a study on "Women's Social Empowerment and Microfinance: the authors examine how microfinance influences women's decisionmaking power and social empowerment. The authors analyse 54 previous studies using a word cloud approach to identify common themes and findings. The review highlights that most studies find a positive link between microfinance and women's empowerment. Microfinance helps women enhance their earning capacity, leading to better control over financial and social matters. However, the authors also note that some studies report challenges, such as male dominance over micro-loans, which can reduce the benefits for women. Variations in results often arise due to differences in how empowerment is measured or due to gender and socio-political factors. It underscores the potential of microfinance while acknowledging existing limitations. The study is valuable for

researchers and policymakers seeking to improve financial programs aimed at empowering women.

Okesina (2021) conducted a study on "Impact of Microfinance on Women's Entrepreneurship: A Study from Nigeria" the author examines the relationship between microfinance and women's entrepreneurship in Rivers State, Nigeria. The study highlights the challenges women face in accessing and utilizing microfinance for business development, particularly in patriarchal societies where they have limited control over financial resources. Using a qualitative research approach and NVivo 12 software for analysis, the study finds little evidence that microfinance effectively supports business expansion for women entrepreneurs. Instead, many women use microfinance loans for household expenses, especially in situations where male unemployment or lack of social provisions create financial strain. This leads to a cycle of debt, limiting the intended benefits of microfinance in fostering entrepreneurship. The findings suggest that while microfinance has the potential to empower women, structural barriers such as financial dependency and socio-economic constraints must be addressed. The study underscores the need for supportive policies, financial literacy programs, and alternative economic opportunities to ensure that microfinance serves as a tool for sustainable entrepreneurship rather than short-term household survival.

Das (2021) conducted a study on "A Study on Microfinance among Rural People of Kamrup (R) District of Assam "by the author explores that the role of microfinance as a tool for poverty alleviation and economic empowerment. The study finds the historical evolution of microfinance, from early cooperative lending banks to the Grameen Bank model introduced by Muhammad Yunus in 1976. It highlights the significance of microfinance in providing financial services such as credit, savings, and insurance to low-income households and small enterprises. The study emphasizes that microfinance plays a crucial role in inclusive growth, particularly in rural areas. By offering accessible and affordable financial services, microfinance institutions contribute to the socioeconomic development of marginalized communities. According to World Bank estimates, over 500 million people globally have benefited from microfinance-related

operations, reinforcing its importance in reducing poverty. The article also discusses how microfinance ensures deep penetration into rural areas, empowering individuals by enhancing their financial stability and self-sufficiency. However, it stresses the need for sustainable and high-quality financial services to maximize the impact on economic growth, employment, and poverty reduction.

Dhoundiyal& Pareek (2021) conducted a study on "A Study on Microfinance and Women Entrepreneurs in National Capital Region (NCR) of New Delhi in India "The authors explores the impact of microfinance on women entrepreneurs in the NCR region of New Delhi. The study focuses on how access to microfinance services influences women's ability to start and sustain their businesses. The research highlights that microfinance institutions play a crucial role in providing financial assistance to women, helping them overcome economic barriers. The authors find that microfinance services such as credit access, savings, and financial training contribute positively to women's entrepreneurship. However, the study also identifies challenges like high-interest rates, limited financial literacy, and socio-cultural restrictions that hinder the full benefits of microfinance. The study emphasizes the importance of microfinance in fostering women's entrepreneurship while also pointing out areas for improvement. It suggests that better financial education, supportive policies, and lower borrowing costs could enhance the effectiveness of microfinance in empowering women entrepreneurs.

Khursheed (2022) conducted a study on 'The Role of Microfinance in Women's Empowerment and Entrepreneurial Development' A Qualitative Study, the author examines how microfinance contributes to women's social and economic empowerment. The study, conducted in rural Pakistan, employs a qualitative approach, using in-depth interviews and focus group discussions with female borrowers from microfinance programs. Authors findings highlight that access to microfinance leads to greater financial independence, improved decision-making power within households, and enhanced entrepreneurial skills. Women who received microloans reported increased self-confidence, social mobility, and better business opportunities. However, the study also notes challenges, such as difficulties in loan repayment and limited

Findings suggest that both SHG and JLG members experienced economic improvement after joining these groups, gaining better financial stability and entrepreneurial opportunities. The study underscores the importance of microfinance in reducing poverty, increasing financial literacy, and promoting self-sufficiency among rural populations. It also emphasizes the need for stronger financial policies to enhance the sustainability of microfinance initiatives.

Sayeed (2023) conducted a study on 'How microfinance can help in the emergence of India as an economic superpower'. The author discusses how microfinance can play a crucial role in India's economic growth. Author highlights that microfinance provides financial support to small businesses and entrepreneurs, especially in rural areas, helping them become self-reliant. The article emphasizes that microfinance is not just about giving loans but also about financial literacy and empowerment. By providing access to credit, it helps women and marginalized communities improve their livelihoods, leading to poverty reduction and economic stability. The article presents a strong argument for the role of microfinance in India's journey toward becoming an economic superpower. However, while microfinance has many benefits, challenges like high-interest rates and loan repayment difficulties should also be addressed for sustainable growth.

Archana et al (2023) conducted a study on 'Effects of microfinancing on women entrepreneurs in India 'the article examines how microfinance services, such as loans, credit, and savings access, support small business. The authors focus on the experiences and perspectives of 200 microfinance beneficiaries, analysing their financial and psychological concerns when accessing loans. The study highlights that while microfinance provides significant advantages, such as financial inclusion and business growth. The research also identifies various challenges, including a lack of awareness, high-interest rates, and difficulties in accessing financial services. Using statistical methods like mean and median, the authors analyse customer feedback to offer insights into both the benefits and limitations of microfinance. The findings suggest that while microfinance plays a vital role in women's entrepreneurship and economic development, better awareness programs and support mechanisms are needed to

maximize its impact. Overall, the article provides valuable insights into the realities of microfinance, making it a useful resource for policymakers and financial institutions aiming to improve financial accessibility for women entrepreneurs in India.

Das (2023) conducted a study on "A Study on Microfinance with Special Reference to Assam" the author examines the role of microfinance in India's economic development, particularly in rural areas. The study highlights how microfinance institutions (MFIs) provide financial services to low-income individuals, playing a crucial role in poverty alleviation and economic growth. The research reveals a significant rise in MFIs availing loans from banks between 2015-16 and 2016-17. However, despite this growth, total loans to MFIs decreased by 7.2% in 2016-17. The study also notes a shift in MFI business models towards urban areas, with a declining rural client base in most states, except Assam, Arunachal Pradesh, Nagaland, Jammu & Kashmir, and Andaman & Nicobar Islands. The highest growth was observed in Andaman (267%) and Jammu & Kashmir (17%). Additionally, the proportion of income-generating loans increased significantly, reaching 94% in 2017. The findings suggest that while microfinance contributes to financial inclusion, challenges remain, such as declining rural outreach and fluctuations in financial indicators like return on assets and total MFI assets.

Abebe & Kegne (2023) conducted a study on "The Role of Microfinance Institutions on Women's Entrepreneurship Development "the authors explain that how microfinance services impact women entrepreneurs in Assosa town. The findings reveal that microfinance institutions provide both financial and non-financial services; however, these services are not significantly empowering poor and disadvantaged women. Despite this, there is a positive and significant relationship between saving practices, access to credit, and skill development training with women's entrepreneurial growth. Regression analysis further shows that savings and credit services have the strongest influence on business development for women. This study highlights the potential of microfinance in fostering women's entrepreneurship but also points out its limitations. It suggests that while microfinance services are beneficial, they may not be enough to

fully empower women unless accompanied by improved financial literacy and business support programs.

Jinaga (2024) conducted a study on 'The Impact of Microfinance on Women's Empowerment. 'In the study author examining that how microfinance influences women's socio-economic empowerment, especially in rural and underserved regions. The article highlights how access to small loans and financial services allows women to start businesses, gain financial independence, and improve their families' living standards. Jinaga explores case studies from different parts of the world, particularly focusing on how microfinance institutions (MFIs) can serve as a tool for addressing gender inequality by providing women with economic opportunities. The author emphasizes that while microfinance has contributed significantly to enhancing women's economic status, it has not been without its challenges. Issues such as the high interest rates, limited financial literacy, and the lack of broader societal change often restrict the full potential of women's empowerment. Jinaga also explores the role of microfinance in fostering women's leadership, self-confidence, and decision-making within their households and communities.

Patel et al (2024) conducted a study on 'Impact of Microfinance on Women Empowerment 'A Study of Rural Gujarat, In the study explore how microfinance initiatives have influenced the empowerment of women in rural Gujarat, India. The authors focus on the role of microfinance institutions (MFIs) in providing women with access to financial resources that enable them to start or expand small businesses, leading to improved economic independence. The study highlights the significant changes in the lives of women who participated in microfinance programs, including increased income, enhanced decision-making power within their families, and improved social status. The authors also discuss the positive effects on women's self-esteem and their ability to contribute to household financial decisions. Furthermore, the article delves into how microfinance can improve women's roles in their communities, helping them become active participants in social and economic development. However, the study also points out the challenges faced by these women, such as high-interest rates,

limited financial literacy, and the constraints of social and cultural norms that may undermine their empowerment. The authors stress the need for a more supportive environment to maximize the impact of microfinance.

Bali (2024) conducted a study on "Understanding the Impact of Microfinance on Economic Development: A Historical Perspective". The author, examines how microfinance has evolved and contributed to financial inclusion, especially in developing economies. It explains how microfinance institutions (MFIs) have provided small loans to individuals and businesses, helping them become financially independent. The historical perspective adds depth to the discussion, showing how microfinance has adapted to economic changes over time. One of the strengths of the article is its detailed analysis of past trends and policies that have shaped the microfinance sector. However, it could have included more case studies or empirical data to strengthen the arguments. Despite this, the article provides valuable insights for researchers, policymakers, and students interested in the field of microfinance and economic development.

Tyagi (2024) conducted a study on "Role and Impact of Microfinance in India" the author examines the significance of microfinance in India's economic and social development. The explores how microfinance institutions (MFIs) have played a crucial role in providing financial services to marginalized communities, particularly in rural areas. The author highlights how microfinance contributes to poverty alleviation, women's empowerment, and entrepreneurship. It discusses the ways in which small loans, savings programs, and financial literacy initiatives have helped individuals achieve financial independence. Additionally, the study addresses challenges such as high interest rates, loan repayment difficulties, and regulatory constraints faced by MFIs. A key strength of the article is its detailed discussion on the economic impact of microfinance, supported by relevant examples. However, the study could be more comprehensive if it included more statistical data or case studies to provide empirical comprehensive if it included more statistical data or case studies to provide empirical evidence. Despite this, the article serves as a valuable resource for researchers, policymakers, and students interested in financial inclusion and rural development.

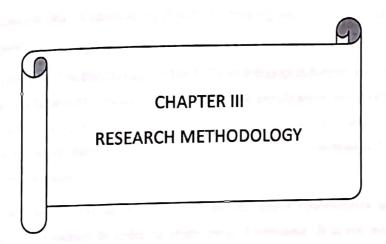
Bhan (2025) conducted a study on "Fifty Years of Indian Microfinance: Challenges to Making a More Profound Impact" The article Fifty Years of Indian Microfinance: Challenges to Making a More Profound Impact, provides an in-depth analysis of the evolution of microfinance in India over the past five decades. The author examines how microfinance has transformed financial inclusion and economic empowerment, particularly for marginalized communities. The article highlights key achievements of the microfinance sector, such as improved access to credit, support for small enterprises, and women's empowerment. However, Bhan also discusses persistent challenges, including high interest rates, repayment struggles, regulatory constraints, and the need for technological advancements in microfinance institutions (MFIs). The study emphasizes the importance of policy reforms and innovative financial solutions to enhance the sector's impact. A notable strength of the article is its historical perspective, which provides valuable insights into the successes and limitations of Indian microfinance. However, it could have been further strengthened with more statistical data or real-life case studies to provide deeper insights.

Saikia & Saikia (2024) conducted a study on "Study on the Impact of Microfinance on Rural Women Empowerment" the authors examine how microfinance has influenced rural women's empowerment in the outcome of the COVID-19 pandemic. The study highlights microfinance as a key tool for rural development, poverty alleviation, and financial inclusion, with a specific focus on its role in enhancing women's economic independence. The authors emphasize that the pandemic significantly disrupted livelihoods, making microfinance a crucial support system for rural women. Many women, who were already dependent on microfinance for small businesses and household financial stability, faced challenges such as loan repayment issues, reduced income opportunities, and economic uncertainty. However, microfinance also played a role in economic recovery by providing women with access to credit, enabling them to restart or sustain their businesses. The study suggests that post-pandemic microfinance programs need to be more resilient and adaptive to ensure long-term empowerment. Recommendations include financial literacy training, flexible loan repayment policies, and skill development programs to strengthen women's economic participation. The

article provides valuable insights for policymakers and microfinance institutions in designing post-COVID financial recovery strategies for rural women in Assam.

Mishra et al (May 2024) conducted a study on "Evaluating the Role of Microfinance Institutions in Supporting Financial Inclusion and Economic Development" the authors examine how microfinance institutions (MFIs) contribute to financial inclusion and economic growth. The study analyses empirical data and past research to assess the impact of MFIs on poverty alleviation, entrepreneurship, and economic stability. The findings suggest that MFIs play a crucial role in expanding access to financial services for underserved populations, enabling individuals to invest in businesses, increase incomes, and smooth consumption. The study also highlights key metrics, such as loan repayment rates, business creation, and economic indicators, to measure MFI effectiveness. The results generally show that MFIs positively influence economic development by fostering job creation and financial empowerment. However, the authors also acknowledge challenges, including financial sustainability, risks of overindebtedness, and limited outreach to the poorest populations. The study suggests that policy improvements and further research are necessary to maximize the benefits of microfinance while addressing its shortcomings. Overall, this article provides financial institutions, and development organizations aiming to strengthen microfinance's role in economic development and financial inclusion.

Chaturvedi & Kumari (2025) conducted a study on 'Role of Microfinance in India: A Thematic Review' explores the significance of microfinance in addressing poverty and empowering marginalized communities in India. The authors examine various aspects of microfinance, including its history, growth, and challenges, highlighting how it provides financial services like loans and savings to individuals who do not have access to traditional banking. The review discusses the impact of microfinance in improving the socio-economic conditions of rural and underserved populations, particularly women. The authors also address the challenges faced by microfinance institutions (MFIs), such as sustainability, high interest rates, and over-indebtedness. They emphasize the need for regulatory frameworks to ensure that microfinance continues to



3.1 THEORITICAL FRAMEWORK

CAPABILITY APPROACH (Amartya Sen)

The Capability Approach was originally developed by Amartya Sen, an Indian philosopher and economist, during the 1980s. The capability approach to an approach to think about development, poverty and human well-being. In this approach, development does not necessarily mean income or economic growth. Rather, it means providing individual with actual opportunities to led the life they appreciate. Sen holds that a desirable society is one in which individuals are free to decide how they wish to live and capable of doing things they value.

In Amartya Sen's Capability Approach, functioning and capabilities are the two key concepts.

Functioning: The functioning are the different things an individual can do or be in life. These are the essential outcomes or activities that people appreciate, like being healthy, attending school, working, being safe, or being well treated in society Functioning reveal the actual state of an individual's life, what he or she has managed to do with the resources at hand.

Capabilities: on the other hand, describe the actual opportunities or liberties an individual possesses in order to attain those functioning. It is not merely what an individual is doing, but what he or she is free or capable to do. For instance, having the access to education, being able to find employment, or being able to make choices regarding one's life are all capabilities. Capabilities empower individuals to make decisions about the type of life they wish to have.

To understand the difference between the two, consider two women who have borrowed a microfinance loan. One woman uses the loan to begin a business and makes money, while the other woman is not permitted by her family to do this even though she also possesses the loan. The first woman possesses both the capability and the functioning, while the second woman does not possess the capability, although she possesses the same resource. This indicates that having resources is insufficient, individuals also need the opportunity and support to utilize them. That is the essence of the Capability Approach.

Philosopher Martha Nussbaum subsequently developed this concept further to formulate a list of core human capabilities which governments must protect, particularly to attain gender justice and human dignity.

In this study, Amartya Sen's Capability Approach is used to understand the impact of microfinance on the economic empowerment of rural women living in Kakodon, Golaghat. This is the essence of development, as seen from this perspective: development is about increasing people's actual freedoms and ability to live the life they have reason to value. In the scope of this study, microfinance does not equate to giving loans it is about empowering women to open small businesses, generate income, and make choices at home and in their communities. It enables them to enhance their functioning's for example, to be independent, to contribute to their families, and to earn respect. Utilizing this strategy, the research investigates whether microfinance has benefited these women economically, as well as socially by enhancing their choices, self-assurance, and ability to control their lives.

3.2 UNIVERSE OF THE STUDY

The researcher has chosen the area of Kakodonga, kerani village in the district of Golaghat who have participated in microfinance programs. The study will focus on women who have been involved in microfinance. as this duration will provide them with sufficient experience to evaluate the impact of microfinance on their economic empowerment. Kakodonga, kerani village was chosen due to its active participation in microfinance programs, making it an ideal setting to explore the effects of these programs on rural women.

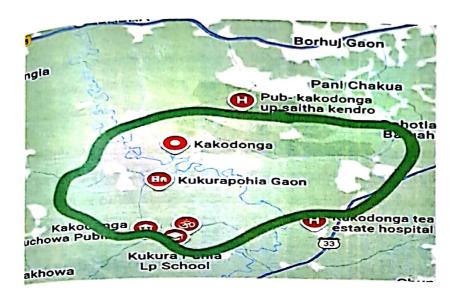


Photo: Golaghat, kakodonga Assam

Photo Source: Google Map

https://maps.app.goo.gl/C5ZLTY4aHhzk12uW6?g st=aw

3.3 RESEARCH DESIGN

This study uses a descriptive research design. It helps to describe and understand the real-life experiences of rural women who are part of microfinance programs. The aim is to know how microfinance has helped or changed their lives, especially in terms of money, confidence, and decision-making.

3.4 Sampling Techniques

Sampling refers to selecting a small group of individuals from a larger population to study.

For this study, the researcher will use Purposive Sampling, a non-probability sampling method, to select participants. This method involves choosing specific individuals who are most likely to provide valuable insights into the impact of microfinance on rural women's economic empowerment. Participants will be selected with the help of local community leaders, elders, and personal referrals from people familiar with the community in Kakodonga kerani village.

Purposive sampling ensures that the researcher focuses on women who have actively participated in microfinance programs for a meaningful period, allowing for an in-depth exploration of the impact of microfinance on their financial decision-making and empowerment.

3.5 SAMPLE SIZE

Sample size refers to the number of individuals selected from a population to be included in the study. For this specific study, the researcher will collect data from 15 respondents who are rural women in Kakodonga, kerani village and have participated in microfinance programs.

3.6 Methods of Data Collection

The data for this study will be collected using these methods:

Interviews: The researcher will conduct one-on-one interviews with 15 women in Kakodonga village. These interviews will help gather detailed information about their experiences with microfinance programs.

Primary Data Collection: The researcher will collect Primary data directly from the respondents. The method was used to obtain relevant information on the impact of microfinance on the economic empowerment of rural women.

Secondary Data: The researcher will also review reports and documents related to microfinance and women's empowerment to support the findings.

3.7 Sources of Data Collection:

The study used both primary and secondary sources of data:

Primary Data: The researcher collected primary data through one-on-one structured interviews with 15 women in Kakodonga kerani village. This data provided direct insights into the respondents' experiences with microfinance and its impact on their economic empowerment.

Secondary Data: The researcher also reviewed relevant reports, documents, and literature related to microfinance and women's empowerment to support and strengthen the findings from the primary data.

3.8 Tools of Data Analysis: The data collected through interview and observation, were analysed using qualitative data analysis techniques. The analysis process involved coding and categorizing the data to identify recurring themes, patterns, and insights related to the impact of microfinance on rural women's economic empowerment. Thematic analysis was employed to systematically examine and interpret the data, allowing for the identification of key themes and subthemes aligned with the research objectives.

The researcher manually analysed the qualitative data.

3.9 Ethical Considerations and Consent:

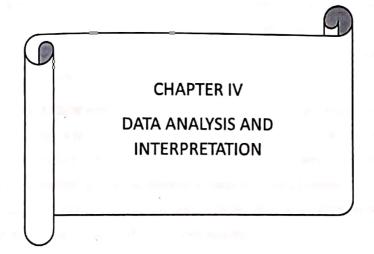
Informed Consent: Participants will be informed about the purpose of the study and how their data will be used. They will provide written or verbal consent before participating.

Confidentiality: Personal information will be kept confidential, and participants' identities will be anonymized in the research report to protect their privacy.

Respect for Participants: Participants will be treated with respect, and their views and experiences will be valued throughout the study.

3.10 LIMITATIONS

- 1. The study may focus on specific rural areas, limiting the ability to generalize findings to other regions or countries.
- Limited or incomplete data on microfinance programs, women's businesses, and income may affect the depth of analysis.
- The influence of local social and cultural factors may not be fully captured, potentially leading to biased or incomplete conclusions.
- Personal experiences and challenges shared by participants may reflect subjective views, introducing bias into the data.



ANALYSIS

4.1WOMEN'S ECONOMIC PARTICIPATION THROUGH MICROFINANCE

4.1.1 Entering the workforce

The economic activity of many women in Kakodonga, kerani village was initiated by micro finance schemes. Some respondents mentioned that before they join to microfinance, they were fully dependent on the income of their husbands or other male relatives in the family. Microfinance is the financial accelerator that helped them start small scale businesses like vending vegetables, rearing livestock, tailoring, grocery shops, handloom work and even tea stalls. Although small in scale, these activities represented substantial changes in these women's lives from unpaid domestic workers to earning workers.

Respondent A Bora recalls the positive changes brought by microloans. She started earning through a tailoring business given that she already had the skills and interest. The loans allowed her to buy a sewing machine along with some basic materials, enabling her to contribute economically towards household expenses. She expressed her achievement of being able to take care of some medical expenses as well as paying school fees for her children from her own earnings.

4.1.2 From Dependency to Contribution

The shift from financial dependence to contribution, for most women, they are mentally emotion. Their level of dignity increased and so did their self-esteem after being able to financially support their families during times of need. Respondent P. Bora, who started a stall selling vegetables, declared that her ability to earn made her feel marital balance. Asking for money for every important need was no longer the reality and that made her feel self-respect and freedom.

4.1.3 Income Management and Business Sustainability

While changes in income levels are increased, highly subordinate women below the business owner reported enhanced economic stability as result of their ventures. These

women reported that they were able to manage daily sales and customers, purchasing of stock, and even dealing with bad weather and health issues. Yet, respondents highlighted that the loan amounts were often too small for significant expansion of business. Still, the level ingenuity and determination shown by these women in striving to sustain their businesses was impressive.

Some women such as D. Dutta were able to evolve with time: she changed from running a shop to pig farming at which she found more profit. This change is illustrative of more than just sophisticated economic choices, but growing self-agency and positive belief in these women's new-found ability to make decisions.

4.2 BARRIERS AND CHALLENGES CONFRONTING WOMEN

4.2.1 Literacy and Bureaucratic Barriers

Most of the women, particularly those with limited or no schooling, felt overshadowed by the microfinance procedure. Illiterate Respondent N. Dutta struggled to comprehend the loan terms and had problems while documentation was in progress. Having no reading and writing skills, she had to rely on other people for assistance, and in some situations, this left her in a state of helplessness or anxiety.

4.2.2 Psychological and Emotional Pressure

Repayment of the loan became a significant source of anxiety. Although the women paid regularly, they referred to the worry of making timely payments, particularly during slow sales months or high family expenditures. Women like G. Dutta confessed to panicking whenever income was insufficient to cover business and domestic requirements. This fiscal burden frequently imposed a mental strain on the women, impacting confidence and tranquility.

4.3 MICROFINANCE AND POWER IN DECISION-MAKING

4.3.1 Shifting Power Relations

The most important observation was the change in decision-making within the family. Earlier, women had no role in family finance; now they made their own or collectively

with their husband decision about the use of the loan, savings, and business. Respondent S. Dutta said it was her own decision to join microfinance and utilize the loan for the handloom business. She felt more respected at home because she started contributing money.

4.3.2 Limited Autonomy and Joint Decisions

Although complete autonomy was a scarcity, most women reported a model of joint decision-making, in which they shared financial issues with their husbands or other relatives. This signals a gradual yet significant shift in the ancient gender roles, as women's voices are increasingly being heard in the economic arena.

4.4 SOCIAL PARTICIPATION, SELF-ESTEEM, AND IMPACT ON COMMUNITY

4.4.1 Self-Establishment and Building Confidence

One of the strongest effects of microfinance was the building of women's confidence. Respondents constantly spoke of the way that being able to earn their own income affected how they thought about themselves. They felt useful, capable, and independent. For women such as J. Dutta and B. Bora, earning money provided them with an identity other than daughters, wives, or mothers it enabled them to be recognized as individuals in their own right.

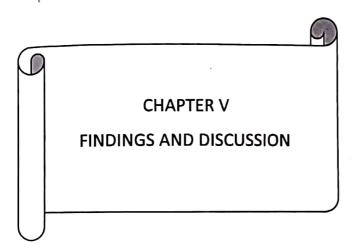
4.4.2 Inspiring and Supporting Other Women

Most women, particularly those with some years of experience, also emerged as informal mentors within their group. They narrated their experiences and encouraged others to be part of microfinance schemes. This peer support developed a sense of solidarity among women, strengthening their collective power.

4.4.3 Social Recognition and Status

With earnings came notice. Women started being viewed by families as contributors, and some became more active in community events or local decision-making. Structural

inequality remained, but microfinance presented women with an avenue through which to make themselves felt in both public and private spaces.



5.1MAJOR FINDINGS

- 1. The researcher finds that microfinance is an important contributing factor to enabling rural women to start income-generating activities like tailoring, selling of vegetables, pig rearing, and retailing of groceries. Most respondents indicated that these enterprises were their first independent earning experiences, changing their status from being dependent household members to active economic players.
- 2. Microfinance increases the self-esteem, autonomy, and confidence of the rural women's. The results identify a thoughtful psychological change in women's lives. Through their entrepreneurial activities, women developed respect for themselves, confidence, and a more robust sense of identity. Respondents explained that they felt proud, responsible, and capable, particularly when contributing to family expenses such as school fees or medical bills.
- 3. Microfinance participation enhances participation in household financial decision-making. The research observes an alteration of conservative gender roles, as the majority of women indicated that they now independently or jointly decide on spending, saving, and business investments. This signals a strengthening perception of women's voices within the home, pointing to new empowerment within the family.
- 4. The research points out some major setbacks including challenges in comprehending loan processes because of illiteracy, anxieties on loan repayment in the face of financial difficulties, and inadequate loan size to make a significant improvement in their businesses. The women also did not have access to formal training in entrepreneurship and financial literacy.
- 5. Structural barriers restrict the maximum potential of microfinance as a means of empowerment. Even with promising developments, patriarchal attitudes, poor training, and the double burden of combining business with household responsibilities continue to pose major hurdles. The research stresses the importance of microfinance institutions delivering capacity-building interventions and more woman-friendly, flexible policies. Most women,

- 6. particularly those with some years of experience, also emerged as informal mentors within their group.
- 7. Microfinance enhances social standing and community visibility. With greater earning capacity, women received acknowledgment and respect from their families and wider community forums. A number of women engaged more fully in social activities and were regarded as contributors rather than mere caretakers.

5.2 DISCUSSION

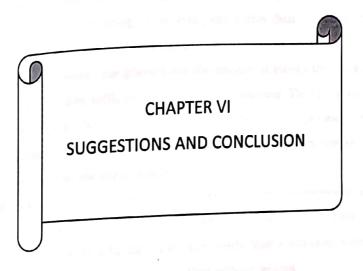
Microfinance, as integrated into the rural economic set-up of Kakodonga kerani village, is an important way through which women engage in income-generating and strive for empowerment. Using the scope of Amartya Sen's Capability Approach, this study explains how microfinance is more than just the delivery of financial services to impact the wider reliefs of women's agency, autonomy, and decision-making capacity.

Through this framework, the growth of capabilities meaning actual opportunities to become functioning becomes apparent in women's lives who before had no or minimal economic independence. The capability approach emphasizes both instrumental and intrinsic freedoms from being able to earn an income to being able to make choices. acquire self-respect and participate in actively. Various participants mentioned that prior to being part of microfinance groups, they were completely dependent upon their husbands or other male family members for everything related to money. From a theoretical point of view, this shows an increase in functioning they shifted from financial dependence to active income contribution in the household. Following access to microloans, most of them started businesses like tailoring, provision shops, vegetable selling, or keeping livestock. All these activities meant more than just earnings these indicated change from passive dependence to active contribution in the household. Microfinance not only helped them generate income but also became motivation for individual confidence and societal recognition. Several respondents reported feeling proud of being able to contribute financially, although their income was small. The fact that they were useful and could do something made them feel more confident about themselves. Some women applied the loans for starting up or extending their own firms, others applied them to facilitate existing family businesses. A few respondents acknowledged that they participated in business activities primarily as helpers rather than owners. This limited control over financial decisions reveals that access to resources does not always translate into full capability or freedom to choose. Cultural standards and affected roles still determine how financial resources are used in households. The role of literacy and training was another critical consideration as it impacted to what extent women could utilize microfinance. As per Sen's model, resource conversion to capabilities is based on individual and social factors.

The emotional aspect of empowerment also emerged in the results. While microfinance enhanced earnings for many, it also brought in stress and anxiety as a result of repayment conditions, particularly when income was low or there were health crises. Sen's well-being freedom considers mental peace and emotional security, which were undermined when women could not meet repayment schedules.

That most women started earning income from small businesses following loans is in line with what Mengstie (2022) and Patel et al. (2024) noted, where microfinance allowed rural women to transition from unpaid domestic roles to actual economic participants. Similarly, greater involvement in decision-making within the household was discovered in this research and supports the findings of Khursheed (2022) and Jinaga (2024), who stressed that economic involvement through microfinance tends to bring more bargaining strength and joint decision-making in the family. Self-Help Group involvement was also emphasized by most of the women in this study as an emotional and peer support instrument. Babu (2017) and Karmakar and Choudhury, who reported that SHGs assist in fostering solidarity and confidence among women in rural areas. In addition, the significance of training and financial education was apparent in participants who struggled with illiteracy or lack of knowledge. This finding resonates with the sentiments of Archana et al. (2023) and Bel Hadj Miled (2021), who emphasized that financial literacy and skill development are basics for the transformation of access to microfinance into effective empowerment. The outcomes of this study also indicate areas where the findings conflict with or just partially confirm the current literature. Some previous research, including that of George (2014) and Jinaga (2024), offers microfinance as an explicit path to women's empowerment and self-entrepreneurship. Contrarily, in this study, although some women were able to act independently, a majority relied on male relatives to advise or control the application of loans. This means that credit access by itself does not necessarily result in complete empowerment where gender roles and household expectations are still limiting. Further,

although some of the literature offers microfinance as a contributor to long-term wellbeing, during the research, it was discovered that the emotional stress of loan repayment, particularly under low-income or personal misfortune circumstances, caused distress to several participants. This issue is addressed more critically by Chaturvedi and Kumari (2025) and Bhan (2025), who recognized that rigorous repayment timetables could create stress and erode women's confidence. These results indicate that despite microfinance's huge potential, its achievement is greatly reliant on the existence of supportive social, educational, and institutional frameworks that enable women to utilize resources without restriction and effectively.



6.1 SUGGESTION

- 1. Many women did not fully understand how interest rates work or how they should repay their loans. They were confused about the rules and had to ask others for help. So, it would be better if women received training before and after getting a loan. This would help them understand everything clearly and manage their money better.
- 2. Some of the women began businesses but lacked the skills necessary to operate them effectively. Providing them with training in fields such as tailoring, farming, shopkeeping, or weaving can enable them to operate their business more confidently and earn higher.
- 3. Certain women complained that the amount of money they received as a loan was less than sufficient to increase their business. They required greater funds but only got limited amounts of money. Microfinance groups must consider the nature of work the woman means to undertake and then determine the amount of loan that she would require.
- 4. Some women experienced delays in receiving the loan funds even after approval. Due to this, they were unable to begin their work within time. If the loan is provided without hesitation and punctually, then it will assist women in starting their undertakings at the proper time without tension.
- 5. There were a few women who had issues in their groups. They complained about misunderstandings and lack of communication within groups. To prevent this, group leaders should be trained, and there should be regular meetings so that everyone knows what they have to do and help one another.
- 6. Most women reported that after they received the loan, they were not helped much. If a person visited them often to follow up on their progress and help them solve challenges, it would be beneficial. Women require assistance not just during the process of the loan but also once they have begun their business.
- 7. Microfinance schemes can be made more effective if they are attached to government plans. If the women are also attached with training, supports, or

- assistance from the government, they can expand their business efficiently and receive more assistance.
- 8. It is not sufficient to simply assist women in making money. Microfinance needs to also empower women to become confident, voice their opinions within the family, and be respected in the community. Making money is significant, but getting empowered and becoming independent is equally vital.

CONCLUSION

This research examined the impact of microfinance on the economic empowerment of rural women in Kakodonga, kerani village from the point of view of the Capability Approach. study employed Amartya Sen's Capability Approach as the theoretical framework. With this, the study sought to find out not only the access to financial services, but whether or not women were able to utilize the services in increasing their income, decision-making powers, and wellbeing. Based on personal interviews and qualitative data gathering, the research discovered that despite microfinance offering vital financial opportunities to the majority of women, the realized empowerment effects differed depending on literacy level, support from family, skills level, and prevailing social norms

The research is important that it establishes that access to finance does not necessarily lead to empowerment, support mechanisms such as education, training, and cooperative family efforts. The research contributes to the existing body of work in that it focuses on the need to transform access to money into actual ability. It emphasizes the way in which microfinance can lead to empowerment not just financially but socially as well when linked with suitable support systems.

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APPENDIX Informed Consent

I, Bhaswati Dutta, student of the Social Work Department, Mahapurusha Srimanta Sankaradeva Viswavidyalaya, Guwahati Unit, declare that this interview schedule shall only be used for fulfilling the objectives of my research project (dissertation) entitled "Evaluating the Impact of microfinance in Rural Women Economic Empowerment with reference to the Kakodonga Kerani Gaon, Golaghat District, Assam," under the supervision of Dr. Monalisha Phukan Roy, Assistant Professor, Department of Social work, MSSV, Guwahati Unit. I hereby assure you that the data will be kept strictly confidential and will be used for academic purpose only. Therefore, I humbly request that you kindly provide me with your valuable responses to the set of questions given below.

Bhaswati Dutta

MSW 4th Semester

Department of Social Work

INTERVIEW SCHEDULE

Section-1

Personal Information:

- Name:
- Age:
- Gender:
- Education:

Marital Status:

Married Single separated widowed

- Occupation:
- Family type:

Section-2

- 1. Has your monthly income increased after using microfinance?
- 2. Are you able to save money regularly after starting the business?
- 3. Did someone encourage you to join or did you decide by yourself?
- 4. How did you decide what kind of work or business to start?
- 5. Do you talk other women about your business or give them idea?
- 6. After taking microfinance, what work or business did you start or make better?
- 7. Do you take business related decisions on your own, or with family support?
- 8. Have you received any training and skill development as part of the microfinance program?
- 9. Have you changed the type of work you do since getting the loan?
- 10. Has your business helped you during any emergency or family need?
- 11. Is this your first time doing business or earning money?

Section-3

- 1. Can you describe any difficulties you faced while applying for a microfinance loan?
- 2. Was the loan amount you received sufficient for your needs?
- 3. Is the interest or the way of paying back money difficult for you?
- 4. Have you face any type of problems going to microfinance bank?
- 5. Have you ever missed a payment and had to pay a fine? What happened?
- 6. Do you clearly understand the loan rules, interest rate and repayment terms?
- 7. Was the loan amount enough for your needs?
- 8. Did you receive the loan money on time? If not, what problems did it cause?
- 9. Is it difficult for you to repay the loan on time? Why?
- 10. Have you ever missed a loan repayment? What happened then?
- 11. Do you feel pressure or stress to repay the loan every month?
- 12. Did you get any training or guidance before using the loan?