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A study of the socio-economic empowerment of women in Bhagalpur district

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Abstract
The Interim Union Budget 2024–25 was presented in Parliament by NDA government on Thursday, February 1, 2024. The budget's most important points are based on the slogans "Sabka Saath," "Sabka Vikas," and "Sabka Vishwas," as well as the collaborative and holistic effort of everyone, "Sabka Prayas." The 'Lakhpati Didi Scheme' has had its aim increased from 2 crore to 3 crore, according to Finance Minister Nirmala Sitharaman. The program's overarching goal is to enable women by reshaping Self-Help Groups (SHGs) into long-term, financially stable producer groups. And also Pradhan Mantri Formalisation of Micro Food Processing Enterprises Yojana has supported 2.4 lakh SHGs and 60,000 people with loan connections. The first and foremost step towards women's empowerment is achieving financial independence. An enormous stride forward for women has been the broadening of the Lakhpati Didi program. With the support of nine crore landscapes, eighty-three lakh women-led self-help groups are reshaping rural SHGs and producing one million lakhpati didis. A good step toward financial freedom. This study examines how Self-Help Groups (SHGs) and Microfinance Institutions (MFIs) affect Bhagalpur district women's socioeconomic status. The research has three main goals to empower women economically and socially. SHG and MFI economic empowerment is extensively examined in the study. The research examines financial inclusion and women-led economic activities to reveal tangible outcomes like higher income, strategic savings, and financial autonomy. The purpose is to assess these groups' grassroots economic upliftment capabilities. The study examines how SHGs and MFIs change women's life. Beyond financial indicators, the research examines education, healthcare, and well-being gains. It examines how home and community decision-making dynamics change, focusing on women's voices in community engagement. The research examines sustainability and issues. It critically evaluates SHGs and MFIs' long-term benefits. The report also identifies and analyzes problems women face in these activities. This involves an examination of financial hurdles, cultural conventions that prevent women from fully participating, and potential hazards. This comprehensive study tries to examine how SHGs and MFIs affect Bhagalpur district women's socioeconomic position. By understanding economic empowerment, social transformation, and sustainability, the findings seek to influence future plans, policies, and actions. The research aims to significantly add to regional discussions on women's empowerment and socio-economic development.

Keywords: Microfinance, women empowerment, government schemes, SHG, social empowerment, economic empowerment

Introduction
Microfinance is the extension of small loans to entrepreneurs and the poor who qualify for traditional bank loans. It can also be described as the provision of small-scale financial services to economically active customers in various urban and rural areas. According to the accepted definition, microfinance is the provision of very small amounts of savings, loans and other financial services and products to the poor mainly in rural, semi-urban and urban areas to enable them to increase their income levels and improve living standards. Recently, microfinance has become an important term for governments, NGOs and international institutions like the World Bank. (A. Charles.; K. James, and A.B. Hamed, 2011) [1]. It has proven to be an effective and popular solution in the ongoing fight against poverty as well as women empowerment. (A, Shalini & P, Dr. Anurag. 2019) [2].

The microfinance industry, which began with the establishment of the Grameen Bank in Bangladesh in 1976, is now a worldwide movement involving thousands of specialists, banks, credit unions, cooperatives, village credit societies, NGOs and charities spread across both rich and poor countries. Are Its general objective is to increase access to banking services, especially business loans, to those who are not eligible for normal bank loans. Microloans are offered at commercial interest rates, although much lower than those charged by informal moneylenders. Microfinance has many other developmental objectives such as mobilizing savings. It has also been used as a motivator in various community development activities, as an entry point into a community organizing program, and as a component in a larger education or training exercise. (I. Ali, and ZA Hatta, (2012) [3]. All programs are aimed at empowerment of poor people especially women and poverty alleviation. Provision of timely adequate dose of microfinance to women people for their personal, family and business purposes by a trustworthy agency will naturally inculcate in them the confidence and genuineness to perform their activities. It is based on the belief that availability of small-scale credit will boost the entrepreneurial ability of poor women and introduce them to the small enterprise sector. NABARD launched a scheme to increase the flow of credit to the poor by organizing them into Self-Help Groups (SHGs) and linking the SHGs with banks in 1992, the scheme was largely based on the pattern devised by the Bangladesh Gramin Bank. (H.S. Anitha, and, A.D. Revenkar 2007) [4]. Under the scheme, the poor, especially women, are organized into SHGs and banks are financing these SHGs to lend money and the poor are eligible for concessional refinance from NABARD. There are three district modes for giving loans to micro enterprises. Under the first mode, banks lend directly to SHGs to provide loans to micro entrepreneurs. (NABARD, 2019) [5]. Under the second method, banks provide loans to NGOs for lending to self-help groups and ultimately micro entrepreneurs. Under the third mode, banks provide loans to self-help groups and facilitate NGOs.

The Government of India, in coordination with banks, has taken several steps to eliminate rural poverty. A number of programs with varying levels of implicit and explicit subsidies have been designed to increase the flow of credit to the poor. The main thrust of these credit programs is the provision of financial assistance at concessional interest rates along with capital subsidy to enable the poor to rise above the poverty line. (GoI, 2021) [6]. Public sector and private sector banks have not encouraged the extension of credit to weaker sections due to inadequate securities and overdue problems. Microcredit through Self Help Groups is a novel scheme launched by the Reserve Bank of India to meet the needs of small traders and people engaged in small business. The micro-credit system provides for the organization of SHGs consisting of members with homogeneous economic interests. People with limited means join together as an informal group, individually approach the bank to raise a loan and security for the loan is given in the form of a collective guarantee. Banks are assured of getting back their principal amount along with interest as the borrowed funds are being used to start some small economic ventures. The borrowed money is never used wastefully and hence the repayment capacity of the borrowers increases.

The success of such micro loans largely depends on the confidence of the bankers in the borrowers and vice versa. The economic bond between the banker and the SHG provides an opportunity to both the bankers and the SHG members to increase the scale of lending. The magic of success of micro credit through SHGs is the goodwill of the members. In terms of borrowing money, utilization and repayment of funds, all the members help each other in running their economic enterprises successfully. Although ADH was initiated in 1997 in the state of Maharashtra, the concept came into force only in recent years. There is now a greater degree of socio-economic liberation among SHG members. Therefore, there is a need to evaluate the social and economic impact of SHGs on their members. Self-help groups are voluntary organisations, which distribute micro-credit to members and facilitate them to enter into entrepreneurial activities. (V Puhazhendhi, and KJS Satyasai, 2000) [7]. The formation of women's SHGs in India has been recognized as an effective strategy for women's empowerment in rural and urban areas. Since overall empowerment of women is significantly dependent on economic, hence through these SHGs women are enabled to engage in sectors like health, sanitation, nutrition, agriculture, husbandry etc. besides income generation activities availing microcredit.

Literature review

There is proven evidence of many studies conducted by many organizations and agencies across the world to gain beneficial understanding on various aspects of self-help Groups and their association. Some large-scale studies conducted and published in recent times are briefly described below. A Study in 2007 of rural development through microcredit by Anita and Revankar, (2007) [8] proved that the success of SHGs not only improved the economic status of women but also significantly changed their social status. Based on a panel of 2,400 households to assess the economic impacts of the long-term (2.5-3 years) performance of a program promoting and strengthening self-help programs in Andhra Pradesh, India.

The analysis shows that long program exposure has a positive impact on consumption, nutritional intake and wealth accumulation. Examining the heterogeneity of impacts shows that even the poorest households were able to benefit from the program. Furthermore, even under conservative assumptions the overall benefits will exceed the cost of the program by a significant margin. (Deininger and Liu. 2009) [9].

Salomo et al (2010) [10] conducted a research on the sustainability of SHG federation structures covering 12 SHG federations in six different states of India. It was opined that outreach, member ownership and governance, bottom-up structured and linked multi-layered systems, reduced dependence on external advice and financial support, capacity to respond to diverse environmental and socio-economic conditions, and legal and regulatory frameworks were the key factors. Union is needed to be sure. An effort was made for comparative analysis on the quality and performance of SHGs in Barak Valley of Assam (Cachar, Karimganj and Hailakandi districts) and the impact of SHGs on women members. It has been observed that the quality of SHGs has come under stress due to the rapid expansion of the SHG-Bank linkage program in the state. Furthermore, it has been observed that the impact of SHGs

on decision making patterns first falls on economic empowerment and then on psychological aspects. Confidence building is at fourth position while social empowerment is at fifth position and so on. (Das, 2012) [11]. According to NABARD, (2012) there are disparities in the geographical spread and credit intensity of the SHG bank linkage programme. Out of 33 states, in 22 states and union territories less than 50 per cent of SHGs have savings bank accounts and outstanding bank loans, In the other 10 states, 50 to 80 percent of SHGs have loan outstanding, and only one state, namely Andhra Pradesh, has 80 per cent of SHGs that owe loans to banks. Lack of savings and proper legal framework are serious constraints on the financial viability of SHG unions (Srinivasan and Tankha 2012) [12]. Swamy and Tulsimala conducted a study in 2013 on the impact of microfinance on the food security and living standards of the poor [13]. The results revealed that Self Help Groups (SHGS) in India have been quite successful in achieving the objective of economic development of the weaker sections of the society and also play an important role in improving the income of the weaker sections, thereby ensuring food security It occurs. Apart from this, their standard of living will improve.

Kondal, 2014 conducted a study on 100 women of various self-help groups of Gajavel mandal of Medak district, Andhra Pradesh. The key findings of the study justify the huge role played by SHGs in enhancing the empowerment of women, making them economically stronger and also helping them save money and invest it in further development. It was also found that SHGs created confidence among the members for social, economic self-reliance. It develops awareness programs and schemes, loan policies etc. [14]. However, self-help groups have a positive impact on women empowerment in Andhra Pradesh.

V Sumathi and K Kalpana (2014) [15]. There are many problems associated with MFIs. Microfinance institutions are lagging behind in terms of lending to the genuine needy, regional imbalance, proper regulation etc. Internal, external and client-based challenges have been prevalent since the inception of MFIs in India. There are a lot of shortcomings in the operation of MFIs in India, although MFIs in India have played an important role in poverty alleviation and raising the standard of living of the poor. If the above shortcomings of MFIs are removed, it will have positive impact on the economy, bring greater efficiency and improve the standard of living of thousands of poor.

Mondal and Sarkhel (2015) [16] report the problem in their study titled 'Analysis of problems faced by poor tribal women members in Self Help Groups (SHGs): A study of tribal inhabited rural areas of Bankura, West-Bengal district'. Is. Family opposition, lack of adequate capital, problem of ready market for the product, lack of proper training and conflict among the members are generally the main problems faced by the poor tribal members of SHGs.

SHG in Bihar

Bihar is the 12th largest state in the country in terms of geographical size (94,163 sq km), with a population of 10.38 crore and population density of 1102. Female literacy is lower at 53.33% as compared to the total literacy rate of the state (68.2%). Most of the families (58.16%) belong to BPL category. Out of 38 districts, in 17 districts the percentage of BPL families is higher than the state scenario (58.16%) and in 21 districts the percentage of BPL families is less. But the percentage of BPL families is higher in 7 out of 9 Swasthya programmed districts as compared to the percentage of BPL families in the state. The participants in the workshop on Institution Development for Livelihood felt that Bihar has the potential to create 10 lakh SHGs in the next 10 years. NABARD estimates that there is a potential to create 6.25 lakh SHGs in the coming 10 years. It would be pertinent to mention that the changing environment is giving positive signs for the growth of SHG movement in the state. (Economic Survey 2021-2022) [17].

SHG scheme livelihood

Jeevika has an important role in bringing change in the status of women in rural areas of Bihar. Today, more than 1.5 crore women are continuously moving towards improving their lives by getting involved in livelihood. Today, women are getting involved in livelihood activities, capacity building and building social institutions and moving towards financial inclusion. Many important points related to livelihood are as follows:

- An official said that under the Jeevika programme, these self-help groups are helping more than 45 lakh families during the COVID-19 pandemic.
- A major objective of SHG initiatives for women, especially poor women, is to help them start and manage their own productive activities that can supplement their household employment and income, thereby improving the standard of living. .
- Self Help Group program mainly focuses on empowerment of rural women and making them economically capable [18]. This study analyzes the empowerment of women of self-help groups in the study area. Women empowerment through SHGs enable them to contribute towards increasing family income, skill upgradation, understanding banking operations, improved leadership and communication skills, decision making in community, village and household and improvement in standard of living.

Bank linker

Despite the insistence of RBI, banks have been unable to meet their credit targets in Bihar for the last few years and have not been able to meet the credit needs of the poor in Bihar. The CD ratio in the state is pegged at 32%, a ratio which the government is emphasizing as a key area of reform.

As of December 2021, total deposits in Bihar banks stood at Rs 42,087 crore, while loans stood at only Rs 13,559 crore. The low CD ratio is a reflection of low offtake by the industry, poor infrastructure and supporting services. It is estimated that 44% of the indebted farmers take loans from moneylenders and only 23% have borrowed money from institutional sources. Moneylenders charge between Rs 5-10 per month. (Study by IIM-Indore interns, 2021) [19].

There are some major organizations that are trying to promote microfinance activity in this sector. These are NABARD, National Rural Development Fund, Cashpor, Rashtriya Mahila Kosh and many NGOs which try to provide bank linkage. Among banks SBI is very active and private banks like ICICI and others have participated to some extent through partnership model with Cashpor and lending to some NGOs/MFIs. Considering the level of poverty and the need for credit, the number of organizations working in the micro-finance sector is very small. The

organizations to name them are Nidan, Nidhish, AVS, SKS (recently started), NBJK, CASPOR, RGVN, KSS, and SHPI promoting NABARD groups, DRDA [20].

Bihar is a region where there is a great need for intervention in the micro finance sector, but this intervention should be initiated through a model that minimizes the inherently increased risk in this sector and creating an environment where Wants that make microfinance not only sustainable but also viable. The rural insurance landscape also requires considerable innovative intervention. There is an urgent need to address the issues of accessible insurance to the poor and vulnerable communities. There is a need for a mechanism where a rural poor is monetarily protected against the loss of livestock, human life, crops and other assets that provide him a source of livelihood. This becomes even more important as 56% of the total flood affected people live in the state. During flood season, lakhs of people become homeless and there is huge loss of property. Considering the nascent status of the MF sector in the state and the need for micro finance, Bihar Rural Livelihood Project (a World Bank project) initiated a study on the basic 'SHG-Bank linkages and status of MFIs in Bihar', which will help the BRLP. Planning your future interventions [21].

Why Bihar Rural Livelihood Promotion Society?

Keeping in mind the seriousness of the problem, the Government of Bihar has launched a project on Rural Livelihood Promotion in collaboration with the World Bank to help people get out of the vicious cycle of poverty. It will be implemented through Bihar Rural Livelihood Society (BRLPS). The objective of the project is to improve rural livelihood options and work towards social and economic empowerment of the rural poor and women. The project aims to empower the rural poor and improve their livelihoods. This will be done by developing organization of the rural poor and producers to enable them to access and negotiate better services, credit and assets from public and private sector agencies and institutions. The project will also invest in capacity building of public and private service providers (S Alakh N, et al 2021) [22]. The project will also play a catalytic role in promoting the development of micro finance and agribusiness sectors. The project includes as its key element the identification of existing innovations in various sectors and claims to help develop processes, systems and institutions that can advance these innovations. It aims to focus on stimulating productivity growth in key livelihood sectors and thus enhance employment generation options in the project areas. Its objective is to make project investment catalytic in nature to promote public and private investment in the poor. The proposed project components include formation and strengthening of SHGs, producer groups and federations, expert technical assistance and development funding and project management. To accelerate the process of economic development, capital inflow into the community is required at the first level. Alternative channels have been used around the world to aid in the process of reaching credit to people. (Datta, Amrita and Preet Rustagi., 2012 [23].

The approach of reaching out to the poor with the concept of micro-finance has yielded successful results. Therefore, the project has a component of micro-finance to provide timely credit to the poor and assist them in their development process. A very important aspect of risk mitigation measure for the vulnerable community is the provision of insurance. The poor are the gravest victims of calamities and hence there is a need to protect the poor who suffer from extreme hardships. Thus the role of insurance will be a very important dimension in the project. As more than 4 million people migrate seasonally or for more than 6 months, families face severe cash flow problems to meet both their needs. Money transfer systems are still risky and time-consuming and unable to meet the needs of migrant families. The project should also focus on innovative remittance products for the large number of immigrant families. (Rodgers, Gerry 2011) [24].

Viksit Bharat Era

India is currently at a pivotal moment in its history. India is poised to dominate the 21st century, as the country leaps forward with confidence in its talents. Currently, it ranks as the fifth largest economy globally. However, according to IMF predictions, it is projected to become the third largest economy in the world by 2027, with its GDP surpassing US$ 5 trillion. India is projected to become a developed nation with a US$ 30 trillion GDP by 2047. It will be a developed India. The Union government of India announced an interim budget for the 2024-25 fiscal year on 1 February 2024. This budget aims to contribute towards the development of a prosperous India by the end of the Amrit Kaal in 2047. The government's aim for Viksit Bharat, as articulated by the finance minister in her Budget Speech, is to create a "Prosperous Bharat" that is in sync with nature, equipped with state-of-the-art infrastructure, and offers equal chances for all residents and regions to realize their full potential.

India's Potential: A Pivotal Moment This is the sacred time of India known as Amrit Kaal. India has undergone significant changes in all aspects and is now prepared for a period of rapid progress and development. In recent years, there has been a significant growth in social and economic infrastructure due to the implementation of many policies and programs, such as Samagra Shiksha and the expansion of Universities, IITs, IIMs, Medical and Nursing Colleges, and Skilling initiatives like the Pradhan Mantri Kaushal Vikas Yojana. Over the last ten years, there has been a significant increase in the number of universities and colleges. Currently, the Indian higher education system has 1,113 universities/university-level institutions, 43,796 colleges, and 11,296 stand-alone institutions, with a total of 4.33 crore students. The Gross Enrolment Ratio (GER) in higher education has consistently risen to 28.4.

In a similar vein, the healthcare industry has experienced significant growth in all areas. In 2022, there were 156,000 Ayushman Bharat facilities, offering primary healthcare services to communities in close proximity to their residences. The extensive network of around 1.397 million Anganwadi facilities caters to roughly 100 million children, providing them with Early Childhood Care & Education. Several health indices, including the Infant Mortality Rate (IMR), Maternal Mortality Rate (MMR), and the percentage of underweight children, have shown a significant decline. The Poshan Mission, initiated in 2018, provides coverage to more than 100 million women and children. immunization coverage has increased significantly from 62% to 81% as a result of enhanced immunization programs implemented under Mission Indradhanush. In the future, it is imperative that we elevate healthcare standards to a global scale. Even rural areas in India are seeing a transformation. We are on the verge of attaining, or may have already attained,

comprehensive coverage in power, potable water, banking services, transportation infrastructure, mobile communication, and several other areas. Rural India is now beginning to experience the equivalent advantages as Urban India. In addition, we have enhanced and mitigated hardship for the impoverished population through the implementation of Pradhan Mantri Garib Kalyan Anna Yojana and MNREGA. The Pradhan Mantri Awas Yojana aims to ensure universal access to housing.

Significant advancements have also been made in other areas. The prevalence of mobile phone and internet usage is extensive. India has a total of 1.2 billion mobile phone subscribers and 800 million internet users. India has a staggering 30 crore users of the Unified Payment Interface (UPI), facilitating a remarkable 1,000 crore transactions every month. UPI accounts for more than 40% of all digital transactions. The Highway network has seen a significant growth, with the addition of Expressways. Railways have enhanced its capacity and introduced new trains like Vande Bharat, resulting in faster travel in a more favorable atmosphere. The aviation industry has experienced significant growth and is surpassing previous milestones. In the field of Science & Technology, we have achieved significant milestones through missions like Chandrayaan and other space explorations. The Digital Public Infrastructure (DPI) of our country is well regarded globally, thanks to the presence of Aadhaar, UPI, AA Stack, COWIN platform, GeM, and several other notable systems. Our industry is rapidly evolving into a global manufacturing center. Our Services division is excelling in both IT and non-IT areas, expanding its global presence.

The creative abilities and innovative potential of the young generation in India, together with government initiatives such as Digital India and Startup India, are empowering young people to create employment opportunities rather than seeking jobs. India boasts a staggering number of more than 100 unicorns, which collectively hold a valuation above US$ 340 billion. As a result, India has established itself as the third-largest startup ecosystem globally.

Amidst all these factors indicating the current state of progress, the most crucial one is our demographic dividend. India has a population of 1.44 billion, making it one of the countries with the lowest median age at 29 years. It comprises around 20% of the global youth population. This presents a colossal chance, with a high probability of enduring till 2047. By effectively using this demographic dividend, we can accelerate India towards becoming a developed nation, known as Viksit Bharat.

Challenges of the SHGs and MFIs

- Insufficient information and orientation among members of self-help groups (SHGs) to pursue appropriate and lucrative livelihood opportunities.
- The patriarchal mindset, characterized by primitive thinking and social obligations, hinders women from engaging in self-help groups (SHGs), thereby restricting their economic opportunities.

  Insufficient rural banking infrastructure: With a total of around 120,000 bank branches and over 600,000 communities, there is a lack of adequate financial facilities in rural areas. Furthermore, numerous public sector banks and micro-finance institutions exhibit reluctance in offering financial services to the impoverished due to the persistently high cost of servicing.
- The sustainability and operational quality of the Self-Help Groups (SHGs) have been the subject of significant discussion.
- There is no formal security system in place for the SHGs, as they operate based on the mutual trust and confidence among its members. The deposits made by the Self-Help Groups (SHGs) lack security and are not guaranteed to be safe.
- Only a small proportion of the Self-Help Groups are capable of transitioning from micro-finance to micro-entrepreneurship.

SHGs Success Example

One of the success stories told was about Rubina Khan from Dewas, Madhya Pradesh. She is a member of a Self-Help Group (SHG) that comprises 1.3 lakh women. Khan's extraordinary trajectory progressed from being a manual worker to being a proprietor of a small enterprise, delving into the trade of clothing with the assistance of a loan obtained from her Self-Help Group (SHG). Khan's trajectory advanced from purchasing a pre-owned Maruti Van to establishing a store in Dewas, where she successfully obtained government contracts for her goods. During a jovial instance, Prime Minister Modi said, "I am devoid of even a bicycle." During the epidemic, Khan and her crew played a crucial role by producing masks, PPE kits, and sanitizers. As a Cluster Resource Person (CRP), she served as a role model for women in 40 communities, motivating them to choose entrepreneurship.

Prime Minister Modi conveyed his desire to empowering around 20 million women from Self-Help Groups (SHGs) to achieve a net worth of one lakh (100,000) rupees and commended Khan's unwavering commitment towards this goal. The female participants in the event eagerly lifted their hands to show their support. Highlighting the self-assurance of women in Self-Help Groups (SHGs), Prime Minister Modi stated, "The self-assurance exhibited by our mothers and sisters will contribute to our nation's self-sufficiency". He commended Khan's progress, emphasizing that Self-Help Groups (SHGs) are increasingly becoming a means for women to achieve self-sufficiency. The Prime Minister expressed his commitment to relentlessly strive towards ensuring that at least 2 crore women become millionaires. PM Modi commended Khan for prioritizing education for her children and recognized the overall prosperity that her entire town has attained as a result of these endeavors.

Objective of the study

1. To assess the Economic Empowerment of Women through SHGs and MFIs.
2. To Study the Social Impact on Women's Lives.
3. To study the challenges of the SHGs and MFIs in viksit bharat era.

Research Methodology

- **Research Design:** This study adopts a cross-sectional research design to collect data at a single point in time. This design allows for the examination of various socio-economic factors and their interrelationships within the surveyed population.
- **Sampling Strategy:** The survey includes a total of 55 respondents of the block villages namely Jagdishpur, sanhaula, and kahalgaon of Bhagalpur district. The

sampling method employed only such as age, income, and residence, ensuring representation from diverse segments. Sample size is 55 in the study. A random sample is then drawn from each stratum to obtain a more accurate reflection of the entire population.

- **Sample Size:** The sample size is determined based on statistical considerations, aiming for a representative and statistically significant dataset. The desired level of confidence and margin of error are taken into account in the sample size calculation.
- **Data Collection:** Primary data is collected through structured surveys using both online and offline modes. The survey questionnaire is designed to capture information on demographics, marital status, education, income, savings, religious affiliation, member of any Self-Help Group (SHG) or Microfinance Institution (MFI), and awareness of Self-Help Groups/Microfinance Institutions (SHG/MFI). Survey administration is carried out by trained personnel to ensure consistency and accuracy in data collection.

Variables

- **Dependent Variables:** Marital status, education level, monthly household income, religious affiliation, business engagement, awareness of SHG/MFI, SHG/MFI membership.
- **Independent Variables:** Demographic factors (age, gender), residence (urban, rural), and other socio-economic indicators.

Instrumentation: A structured questionnaire is developed based on a thorough literature review and the research objectives. The questionnaire includes both closed-ended and Likert scale questions to gather quantitative data. Open-ended questions are also included to capture qualitative insights.

Data analysis

Table 1: Age based on respondent

Marital Status	Frequency	%
Up to 25	15	27.27
26-45	15	27.27
>45	25	45.45
Total	55	100

Table 2: Bhagalpur district block respondent

Block	Frequency	%
Jagdishpur	18	32.72
sanhaula	15	27.27
kahalgaon	22	40.00
Total	55	100

Table 3: Marital status based on respondent

Marital Status	Frequency	%
Single	10	18.18
Married	15	27.27
Divorced	12	21.81
Widow	18	32.72
Total	55	100

Source by Author

Table 4: Educational level based on respondent

Educational Level	Frequency	%
No Formal Education	12	21.81
Primary Education	10	18.18
Secondary Education	09	16.36
Higher Secondary Education	15	27.27
Bachelor Degree	05	9.09
Other	04	7.27
Total	55	100

Source by Author

Table 5: Household income per respondent (monthly)

Household Income (Monthly)	Frequency	%
less than ₹5,000	0	0
₹5,001 - ₹10,000	8	14.54
₹10,001 -15,000	13	23.63
₹15,001 - ₹20,000	15	27.27
₹20,001 - ₹25,000	17	30.90
More than ₹25,000	2	3.63
Total	55	100

Source by Author

Table 6: Religion based on respondent

Religion	Frequency	%
Hindu	34	61.81
Muslim	21	38.19
Total	55	100

Source by Author

Table 7: Based on respondent's place of residence

Residence	Frequency	%
Urban	15	27.27
Rural	40	72.72
Total	55	100

Source by Author

Results

Evaluation of Economic Empowerment Index

The table labeled as Table 8 provides the assigned scores for various Economic Indicators used in the preparation of the Economic Index

The Economic Empowerment Index for the 55 chosen Self-Help Groups (SHGs) is determined by analyzing the data from before and after their participation in the SHGs.

Table 8: Displays the scores of the Economic Empowerment Index

S. No	Economic Indicators/Scores	1	2	3	4	5	6	Max score
1.	Household Assets	Below Rs.5000	Rs.10000	Rs.15,000	Rs.20,000	Rs.25,000	Above Rs.25,000	6
2.	Household Income	Below Rs.2000	Rs.4000	Rs.6000	Rs.8000	Rs.10000	Above Rs.10000	6
3.	Expenditure	Below Rs.1000	Rs.2000	Rs.3000	Rs.4000	Rs.5000	Above Rs.5000	6
4.	Savings	Below Rs.200	Rs.400	Rs.600	Rs.800	Rs.1000	Above Rs.1000	6
5.	Loan	Below Rs.2000	Rs.4000	Rs.6000	Rs.8000	Rs.10000	Above Rs.10000	6
6.	Housing Type	Katcha house (rented)	Katcha House (own)	Semi-pucca Housse (rent)	Semi-pucca House (own)	Pucca House (rent)	Pucca House (owned)	6
Total score								36

Table 9: Displays the average Economic Empowerment (EE) Index

S.No	option	N	Range	Min.	Max.	Mean	Std. Deviation	Std. Error
1.	Before Joining MFI	55	69.44	16.67	86.11	33.65	13.9524	1.2737
2.	After Joining MFi	55	69.45	19.44	88.89	43.54	15.7344	1.4363

Table 10: Presents the results of a paired sample t-test conducted on the economic empowerment index

S. No	Economic Empowerment Index of SHG Member	Paired Differences					T	DF	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
1	After-Before	9.8851	6.6569	0.6077	8.6818	11.0884	16.267	119	.000*

Statistical software utilized: SPSS for Windows (version 10.0.5) Statistically significant at the 0.01 level

The study demonstrates that the average economic empowerment index rises from 33.65% to 43.54% (Table 9), indicating an enhancement in the economic condition of the majority of the sampled self-help group (SHG) members following their participation in the microfinance program.

Given that the t value is statistically significant at a significance level of 0.01, we reject the null hypothesis and accept the alternative hypothesis. Therefore, it can be inferred that there is a substantial enhancement in the overall economic empowerment index of Self-Help Group (SHG) members following their participation in the microfinance program.

Evaluation of the Social Empowerment Index

The table labeled as Table 11 displays the scores allocated to various Economic Indicators for the purpose of constructing the Economic Index.

Table 11: Score for Social Empowerment Index

S. No	Social Indicators/Scores Self Confidence	1	2	3	4	5	Max score
1.	Confidence of facing financial crisis	Not at all	Very little	Somewhat	Much more	To a great extent	5
2.	Confidence of meeting official people	-do-	-do-	-do-	-do-	-do-	5
3.	Physical mobility Skills	No Mobility	Seldom/Restricted	Sometimes/Occasional	More/Often	Free and always	5
4.	Communication skills	Hesitates to talk	Talk only if asked	Sometimes talks	Normally/usually talks	Freely and openly talks	5
5.	Business Skills	Extremely Poor	Poor	Satisfactory	Good	Excellent	5
6.	Financial Skills (book keeping, accounting, etc)	-do-	-do-	-do-	-do-	-do-	5

Table 11(a)

S. No	Social Indicators/Scores Self Confidence	1	2	3	4	5	Max score
	Social awareness and recognition						
1.	Social recognition	Not at all	Very little	Somewhat	Much more	To a great extent	5
2.	Social awareness (AIDS, family planning, government schemes etc)	-do-	-do-	-do-	-do-	-do-	5
3.	Ability to take up social issues like abuse, violence, drugs, alcoholism etc)	Submit to oneself	Resist	Lodge complain in the group	Complain to relatives	Warns	5
4..	Respect in the family	Not at all	Very little	Somewhat	Much more	To a great extent	5

Table 11(b)

S. No	Social Indicators/Scores/Self Confidence	1	2	3	4	5	Max score
	Access to facilities/services						
1.	Medical facilities	Extremely Poor	Poor	Satisfactory	Good	Excellent	5
2.	Hygienic sanitation facilities	-do-	-do-	-do-	-do-	-do-	5
3.	Drinking water supply	-do-	-do-	-do-	-do-	-do-	5

Table 12: Displays the average Social Empowerment Index

S. No	Option	N	Range	Min.	Max.	Mean	Std. Deviation	Std. Error
1.	Before Joining MFI	55	53.84	23.08	76.92	45.1663	9.5194	0.8690
2.	After Joining MFi	55	41.54	47.69	89.23	68.6412	8.5586	0.7813

The Social Empowerment Index is computed for 55 chosen Self-Help Groups (SHGs) based on data collected before and after their participation in the SHGs. The study revealed that the mean social empowerment index rose from 45.16% to 68.64% following participation in the microfinance program.

Table 13: Conducting a paired samples t-test on the social empowerment index

S. No.	Social Empowerment Index of SHG Member	Paired Differences					T	DF	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
1	Before- After	23.47	7.50	0.68	22.11	24.83	34.26	119	.000*

Statistical software utilized: SPSS for Windows (version 10.0.5) Statistically significant at the 0.01 level

Given that the t-value is statistically significant at a significance level of 0.01, we reject the null hypothesis and accept the alternative hypothesis. Thus, it can be inferred that there is a notable enhancement in the overall social empowerment index of Self-Help Group (SHG) members subsequent to their participation in the microfinance program. The Combined Socio-Economic Empowerment Index for 55 selected Self-Help Groups (SHGs) is determined by analyzing data from before and after their participation in the SHGs, using the aforementioned calculation for the index.

Table 14: displays the average combined empowerment index

S. No	Option	N	Range	Min.	Max.	Mean	Std. Deviation	Std. Error
1.	Before Joining MFI	55	58.41	21.78	80.20	41.0631	9.6809	0.8837
2.	After Joining MFi	55	47.53	40.59	88.12	59.6932	9.6771	0.8834

The study revealed that the average combined empowerment index rose from 41.06% before to entering microfinance to 59.69%, indicating a favorable socio-economic influence of microfinance on members of self-help groups (SHGs).

However, in order to validate this enhancement in the socio-economic empowerment index, a hypothesis testing is conducted using a paired t-test to compare the pre and post conditions of the microfinance intervention.

Table 15: Paired sample t-test was conducted on the combined empowerment index, specifically

S. No	Combined Empowerment Index of SHG Member	Paired Differences					T	DF	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
1	Before- After	18.63	6.3692	0.5814	17.478	19.7814	32.042	119	.000*

Statistical software utilized: SPSS for Windows (version 10.0.5) Statistically significant at a significance level of 0.01 The table shows that the t value of 32.042 is statistically significant at a significance level of α= 0.01. Therefore, the null hypothesis is refuted and the alternative hypothesis is accepted. Thus, it can be inferred that there is a notable enhancement in the overall Economic and Social Empowerment Index of Self-Help Group (SHG) members subsequent to their enrollment in the microfinance program.

Conclusion

Bihar has seen a significant economic growth rate over the past five years; nevertheless, the underlying foundations of this prosperity are not very robust. Industrialization is necessary in Bihar to provide sustainable development and create equitable livelihood opportunities for both rural and urban populations. In order to address poverty and unemployment in Bihar, the Government has implemented many plans. However, without a well-established production system, achieving these goals is not feasible. Industrialization plays a significant role in generating employment opportunities and reducing poverty. Effective management of assets is crucial for attaining economic and social mobility. In Bihar, several non-governmental organizations (NGOs) and microfinance institutions (MFIs) are transitioning from being social intermediaries to financial intermediaries. They are accomplishing this by offering a range of financial services to self-help groups (SHGs), including loans, savings accounts, micro-insurance, and more. Research indicates a notable enhancement in the overall economic empowerment index of consumers who participate in the microfinance program. Furthermore, it has been shown that the social empowerment index of the SHG members in the sample has experienced a considerable boost subsequent to their participation in the microfinance program. Additionally, the research discovered a noteworthy enhancement in the comprehensive Economic and Social Empowerment score of consumers who participated in the microfinance program.

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