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The Impact of Microfinance on Socio- Economic Empowerment of Rural Women and Improving the Standard of Living in Karnataka.

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Abstract: ***This study reviews annual reports of NABARD -"Status of Microfinance in India" on microfinance significance through savings by rural poor, financial inclusion, bank linkage and women entrepreneurship through SHGs for the upliftment of the standard of living of the rural poor of Karnataka state over the period from 2016-17 to 2020-21. In conducting this study five moderating variables are identified which are independent in nature and facilitates the act of poverty alleviation through microfinance.***
The data is being collected from secondary sources and analysed to know how SHGs and bank linkage of rural poor contributing for the women entrepreneurship for the upliftment of the standard of living of rural poor of Karnataka state by increasing savings among the members of SHGs. This Study reviews the amount of credit allocated for different aspects of microfinance to achieve the objectives set at the core
Keywords: Self Help Groups (SHGs), Savings, Bank Linkage, Financial Inclusion, Women entrepreneurship, Standard of Living, Poverty Alleviation.

I. INTRODUCTION

The life of of rural women has been transformed by bringing them to the main stream through Self Helf Groups. It made all SHG members to take part in nation building process. Many studies have indicated that the Microfinance is an emerging and fast growing sector with a capital gearing ratio of 40% in next five years.
The agencies like Banks, financial Institutions and other agencies like NRLM have contributed incredit linkage of women is brightly visible. This would contribute in women entrepreneurship and in decreasing regional imbalance. But stil 50 percent of SHGs are yet to credit linked.
It is very much visible that, in the recent years not only the number of accounts increased but also the average loan size is also increased. Southern states have 36 percent of total bank linkage, North and North-Eastern regions have 5.6 percent. Due to higher trade-off between poverty and volnerabilty in these areas, the SHGs movement has a greater importance and significance in these areas.
By assigning higher weights to incremental priority sector credit to the districts of lower credit flow as per the guidelines on the priority sector issued by RBI in September 2020, the regional imbalance can be minimized.
Banks need to rework on strategies to be followed to extend credit flow and maintain lower NPAs which supports at the time of pandemic through savings.
Savings and Financial Inclusion are the important aspects for successful entrepreneurship, which in turn catalytic for the economic growth. Along with the financial literacy. In doing this, NABARD is actively participating to supporting SHGs and JLGs under MEDP and LEDP. These programs helps in developing employability skills among rural india.

A. Meaning Of Microfinance

"Micro finance is a micro credit and is a small loan granted to low income people"
Micro credit is the means of microloans to the rural poor with low income

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B. Micro Finance Industry

Microfinance business is a class of monetary administrations for people and private companies that don't approach customary banking and related administrations. Microfinance incorporates micro credits which give little advances to helpless clients; Savings and current records; Micro protection; and instalment framework.

Microfinance administrations are intended to arrive at clients who are excluded, generally the less fortunate pieces of the populace who might be minimized or somewhat separated, and help them take care of themselves.

Microfinance at first had a restricted definition - the arrangement of microcredit to helpless business people and private companies without admittance to credit. The two fundamental components for offering monetary types of assistance to these customers are:

- Banking connections for sole traders and independent ventures.
- A bunch model in which a few business visionaries accumulate to apply for advances and different administrations collectively.

After some time, microfinance has become a significant development pointed toward "making an existence where everybody, particularly poor people and underestimated, and families, approach an assortment of moderate, top notch monetary items and administrations and administrations, including credits "yet additionally investment funds, protection, instalment and move administrations.

Supporters of microfinance regularly contend that such access will assist the poor with getting destitution, incorporating the individuals who take part in the microcredit highest point crusade. For some individuals, microfinance is pay to support financial development and work by supporting micro and little endeavour. For other people, this is a path for deplorable individuals to all the more likely deal with their investment funds and accept advantage of financial open doors when the association is in danger. Critics frequently bring up certain shortcomings in microcredit that can cause obligation. Given the changed settings in which microfinance and different microfinance administrations work, it is absurd or sensible to get a general image of the effect f microfinance. Numerous investigations have attempted to survey its effect.

Different sorts of microfinance establishments in India

The microfinance model was created to address monetary difficulties in a monetarily feeble territory. Different sorts of microfinance organizations work in India.

1) Self-help groups (SHGs)

These are formal or relaxed up bundles including little business visionaries with the same monetary foundation. These people were unexpectedly aggregated and outlined a joint store to meet the speedy requirements of their association. These get-togethers are by and large non-advantage affiliations. This social event is liable for paying commitments. The potential gain of this microcredit system is that no assurance is required. Financing costs are typically in like manner low and are set unequivocally for women (Chowdhury, 2013; Business Standards, 2017). Moreover, various relationship with SHG banks have been made to achieve better cash related thought in commonplace zones (Jayadev and Rao, 2012).

2) Women Entrepreneurship

It can be defined as a process of organizing and operating a business entreprise by a women. Here the women entrepreneur ia a confident, innovative and creative person who creates employment for others.

3) Features of Micro-finance

- Self-Help Groups are commonly used for delivery (SHGs).
- It is a tool for poor people's empowerment.
- It is primarily used for promoting independent work and is most often used for direct pay
- Reorganization of wealth as well as debts to enable the family to engage for prospective freedoms, as well as consumer moderation.
- Microcredit is an instrument for community engagement, particularly for women, as well as a financing structure. Because microcredit is focused at the needy.
- Microfinance loaning innovation must imitate the casual moneylenders rather than the proper area loaning.

✓ It must account for irregularities.
✓ Allow for reimbursement flexibility.
✓ Placed a roof on credit limits.

C. Products Of Micro-Finance

1) *Micro-loans:* A customer receives a small amount of cash from a bank or other financial organisation. Micro lending can be given to a person or a group of people on a regular basis without the need for collateral. Funds for micro-investments: There are benefits from stores that allow you to set aside a certain amount of money for later use. These bank accounts enable families to prepare for unexpected expenses and plan for future costs, even if they do not meet the minimum balance requirements.
2) *Micro Insurance:* It's a mechanism in which individuals, organizations, and other groups pool their resources to share risk. Introduction of insurance allows business visionaries to focus more on growing their businesses while reducing the risk of different risks impacting property, wealth, or the ability to operate. Settlements are the transfers of property from one person to another, commonly through loved ones, from one location to another. In contrast to many other sources of wealth that fluctuates based on the political or financial environment, settlements are a generally stable resource of assets.
3) *Micro Savings:* A way to save money without having to open a bank account. Allows consumers to retain cash on hand for long periods of time or for unforeseen expenses. SHG members save small amounts of cash in a social occasion account, as low as two or three rupees per month. People can benefit from the social gathering, with the exception of a financial arrangement there are a variety of reasons for this, ranging from family emergencies to class fees. Since SHGs have shown their ability to effectively manage their capital, they will be able to obtain funds from a nearby bank to invest in private ventures or farm operations. For every rupee in the social event shop, banks routinely advance up to four rupees.
4) *Micro Leasing:* Business visionaries or independent ventures who cannot afford to purchase equipment, rustic equipment, or vehicles outright may lease them instead. Typically, there are no obstructions of the leased object's most basic expense.
5) *Money Transfer:* A service that assists in the transfer of funds, usually from one country to another, to family or friends. Different business banks use overall money move mechanisms like Western Union, Money Gram, and Anelik to make money transfers without opening current records. On the surface, they may appear to be minor financial transactions, but when one considers the magnitude of the situation, it becomes clear when such transactions occur in a large number of locations around the world on a regular basis, the numbers start to add up. The World Bank estimates that the annual total demand for repayments – cash sent home by traveller staff – is about 167 billion US dollars. If unauthorized trades are included, the estimated amount is around 230 billion dollars. Settlements are also a vital resource of revenue for a few emerging nations, such as India, China, as well as Mexico, that each obtain more than $20 billion in settlements annually.

II. LITERATURE REVIEW

1) Ms.Ashta A & De Selva R (2009)

Has investigated a link between financing and the religion, as well as providing future research directions in this area. Despite the fact that strict organisations performance a critical part in the growth of microfinance systems, researchers had paid little attention to the links between microfinance and religion. The effect of the Global Irish Famine on Irish credit reserves, is more among charities for constantly sick Haitian women, and the influence of culture having examples of Jordanian microbusiness visionaries are just a few of the topics included in this paper's articles.

2) Chintamani Prasad Patnaik (March 2012)

As determined, micro-finance appears to also have sparked hope also that microfinance development may solve the challenges of provincial monetary market development. Although the growth of microfinance is unquestionably essential for expanding availability of cash for the poor as well as low-wage families and their companies, there is a lack of information on how to address challenges related to the development of a country's monetary market. This technique is predicted to depend largely on self-improvement meetings. However, in order to suit the needs of modern business, there is a requirement for underlying direction of the gatherings. Microcredit growth under the SHG plan must be considered in the long term, emphasising the need for a methodical approach suggestion for confirmation in terms of innovation back-up, product in market place, as well as development programs.

3) R.Prabhavathy (2012)

According to studies, the family, markets, state and local areas, as well as economic, social culture and political areas, are all necessary for alleviating poverty and women's empowerment. Among the various benefits of micro money in terms of women's empowerment and poverty alleviation, there are a few questions. To begin with, these are subject to the delegates' automated and administrative procedures; second, there are cut-off points for how often micro-credit intercessions alone might attain the extremely poor; thirdly, that degree of favourable outcomes differs by family authority; finally, cash advance progressions can only go so far in reaching the extremely poor on their own. Standing and faith, and fourth, both public and private sector LPG policy recommendations to promote the benefits of social professional co-opetaives.

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III. RESEARCH DESIGN

The paper uses a Quantitative and exploratory research technique based on data is collected on the bais of numbers, literature from different journals, research reports, news papers, and avious magazines covering a wide-range of academic literature on Microfinance.

A. Limitations

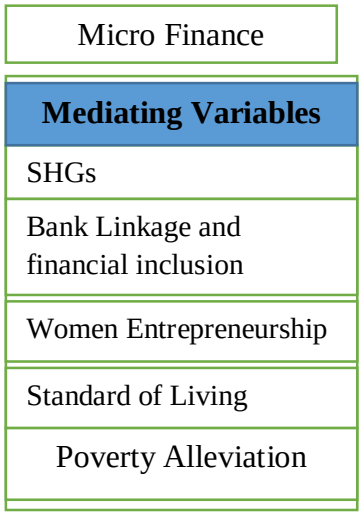
1) This empherical study is purely basedon the secondary data collected from NABARD annual reports.
2) Due to the impact of Covid-19. The data for the year 2020-21 is being taken on the basis of weighted average of past four years preceded by 2019-20 to 2016-17.
3) Only identified variables are being considered for the study among various variables to have completeness of the study and to have proper data.

B. Variables Identified

The following are the variables identified on the basis of the literature review on different articles and various thesis submitted which are mediating variables for the study. They are,

1) SHGs
2) Bank Linkage
3) Women Entrepreneurship
4) Standard of Living

All the above variables are the source of information to prove the concept of poverty alleviation among the rural lives.



C. Objectives

1) To study the relationship between microfinance and poverty alleviation through Bank linkage, financial inclusion of poor and women entrepreneurship.
2) To analyse the impact of SHGs on the savings of the rural poor.
3) .To contemplate the effect of saving through contribution by each member of SHG on the Bank linkage and financial inclusion of rural poor by micro finance.
4) To establish a relationship between Bank linkage, financial inclusion through savings and Women entrepreneurship as a means of improving standard of living of rural poor.
5) To understand and establish the relationship between SHGs, Bank Linkage, financial inclusion and Women entrepreneurship on the standard of living and poverty alleviation of rural lives.

D. Hypothesis For The Study

Hypothesis for the study is being stated for each objective keeping in mind the variables identified and to establish the relationship between them and are as follows.

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Objective: 2: To analyse the impact of SHGs on the savings of rural poor.
Hypothesis:
H01: The SHGs have a significant impact on the Savings by the rural poor
Ha1: The SHGs have no impact on the Savings by the rural poor.
Objective: 3: To contemplate the effect of saving through contribution by each member of SHG on the Bank linkage and financial inclusion of rural poor by micro finance.
Hypothesis:
H02: The saving through contribution by each member of SHG is the cause for the Bank Linkage and financial inclusion of members of SHGs who are rural poor.
Ha2: The saving through contribution by each member of SHG is not a cause for the Bank Linkage and financial inclusion of members of SHGs who are rural poor.
Objective:4: To establish a relationship between Bank linkage, financial inclusion through savings and Women entrepreneurship as a means of improving standard of living of rural poor.
Hypothesis:
H03: Bank linkage, Financial Inclusion are highly correlated with Women entrepreneurship among rural poor.
Ha3: Bank linkage, Financial Inclusion are not correlated with Women entrepreneurship among rural poor.

E. Data Collection

The required data is collected from the NABARD annual report on the status of Microfinance in India for five years 2016-17 to2020-22.

F. Statistical Tolls Used For Testing

Following are the statistical tools used for testing the data, viz…

1) Simple Averages, Mean Median and Mode.

2) Correlation test

Correlation test Values are being calculated through **MS Excel operations.**

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{[n\sum x^2 - (\sum x)^2][n\sum y^2 - (\sum y)^2]}$$

3) Chi-Square test of Association / Independence is being calculated by using the following formulae

$$X^2 = \frac{(\text{Observed value} - \text{Expectedvalue})^2}{\text{Expected value}}$$

$$\mathbf{X^2 = \sum (Oi\text{-}Ei)^2 / Ei}$$

$$Ei = \frac{\text{Total of rows} * \text{Total of Column}}{\text{Grand total}}$$

Degree of freedom = (C - 1) x (R - 1)

IV. DATA ANALYSIS AND HYPOTHESIS TESTING

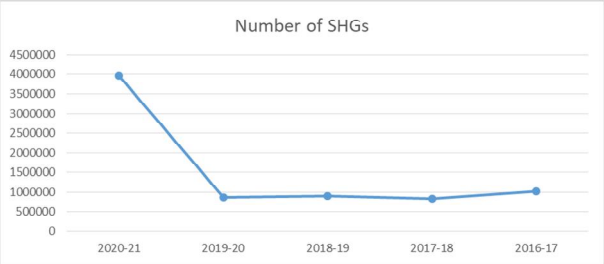
Table-1: Number of SHGs with banks- Region -wise- Karnataka - As a means of Financial Inclusion .
Table-2: Savings of SHGs with banks- Region -wise- Karnataka - Amount of Saving through contribution by each member (Rs. In Lakhs).

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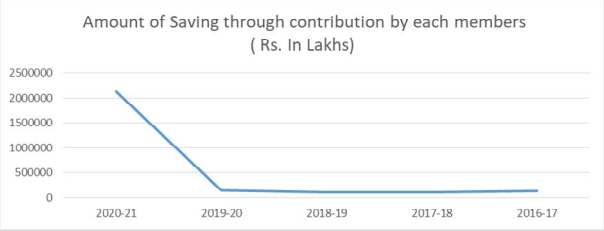
Table-3: SHGs Saving Linked with Banks - Region -wise - Karnataka- As part of Bank linkage of the rural poor.

Table-4: Loan Disbursed under NRLM/SGSY scheme - as a measure to support Women entrepreneurship for the poverty alleviation.

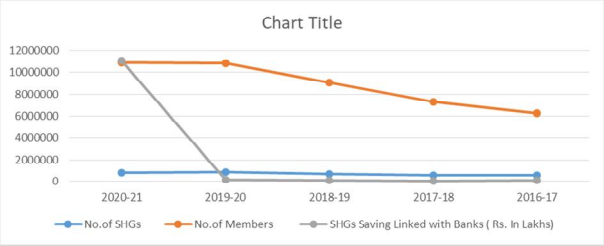
Graph-1: Graph Showing Number of SHGs with banks- Region -wise- Karnataka - As a means of Financial Inclusion.



Graph-2:Graph Showing Savings of SHGs with banks- Region -wise- Karnataka - Amount of Saving through contribution by each member (Rs. In Lakhs).



Graph-3: Graph showing SHGs Saving Linked with Banks - Region -wise - Karnataka- As part of Bank linkage of the rural poor.



Graph-4: Grapg Showing Loan Disbursed under NRLM/SGSY scheme - as a measure to support Women entrepreneurship for the poverty alleviation.

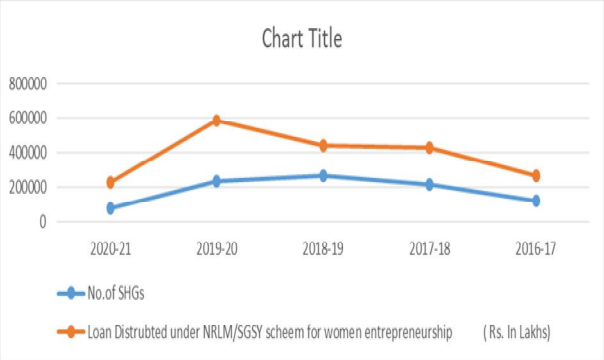


Table-1:

Year	2020-21	2019-20	2018-19	2017-18	2016-17
Number of SHGs	3961703	874536	907391	835643	1031733

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Table-2:

Year	2020-21	2019-20	2018-19	2017-18	2016-17
Amount of Saving through contribution by each member (Rs. In Lakhs)	2129485	151437	115494	114701	131181

Table-3:

Year	2020-21	2019-20	2018-19	2017-18	2016-17
No.of SHGs	784815	874536	708794	592894	597850
No.of Members	10862154	10828872	9084873	7274430	6264292
SHGs Saving Linked with Banks (Rs. In Lakhs)	11042647	151437	99208	61104	79152

Table-4:

Year	2020-21	2019-20	2018-19	2017-18	2016-17
No.of SHGs	83461	237210	267677	218070	121416
Loan Disbursed under NRLM/SGSY scheme for women entrepreneurship (Rs. In Lakhs)	226890	584777	441888	430575	268076

Source: Source: NABARD, The Status of Microfinance in Indian report: 2016-17 to 2020-21

V. HYPOTHESIS TESTING

For the purpose of hypothesis testing correlation and Chi-square test are being used to test the degree of relatedness of variables and to assess the association or Independence of the variables. Let us assume the first test to know on the acceptance or reject of hypothesis.

A. Test Of Correlation Coefficient Bewtween Varibles

Test correlation is being used to know the relation between variables to assess the level of coordination between them. Here if the values of two variables moves in the same direction, then, they are positively correlated. If not, they are negatively correlated. So, it is a statistical measure of coordination between two variables.

Decision rule:

- If the Co-rrelation coefficient value is positive and equal to 1, then there exists a positive correlation between variables and highly correlated
- If the Correlation coefficient value is negative and equal to -1, then there exists a negative correlation between variables and highly negative correlation.
- If the Correlation coefficient value is equal to 0, then there exists no correlation between variables.

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1) Correlation Between SHGs and Amount of Saving through contribution by each members.

Year	2020-21	2019-20	2018-19	2017-18	2016-17	*Correlation*	
						Number of SHGs	*Amount of Saving (Rs. In Lakhs)*
Number of SHGs	3961703	874536	907391	835643	1031733	1	
Amount of Saving through contribution by each members (Rs. In Lakhs)	2129485	151437	115494	114701	131181	0.998531	1

Source: NABARD

2) Correlation between Amount of Saving through contribution by each members and Bank Linkage of poor.

Year	2020-21	2019-20	2018-19	2017-18	2016-17	Correlation	
						Amount of Saving through contribution by each members	SHGs Saving Linked with Banks
Amount of Saving through contribution by each members (Rs. In Lakhs)	2129485	151437	115494	114701	131181	1	
SHGs Saving Linked with Banks (Rs. In Lakhs)	11042647	151437	99208	61104	79152	0.999932	1

Source: NABARD

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3) Correlation between SHGs Saving Linked with Banks and Loan Disbursed underNRLM/SGSY scheme for women entrepreneurship.

Year	2020-21	2019-20	2018-19	2017-18	2016-17	Correlation	
						SHGs Saving Linked with Banks	Loan Disbursed under NRLM/SGSY scheme for women entrepreneurship
SHGs Saving Linked with Banks (Rs. In Lakhs)	11042647	151437	99208	61104	79152	1	
Loan Disbursed under NRLM/SGSY scheme for women entrepreneurship (Rs. In Lakhs)	730972	584777	441888	430575	268076	0.770160	1

Source: NABARD

a) Hypothesis test-1 : Decision

Decision: Since the correlation coefficient between the variable is positive and almost equal to 1, there exists a highly positive correlation between the variables.

Hence we fail to reject null hypothesis H01

Therefore, The SHGs have a significant impact on the Savings by the rural poor

b) Hypothesis test-2 : Decision

Decision: Since the correlation coefficient between the variable is positive and almost equal to 1, there exists a highly positive correlation between the variables

Hence, null hypothesis H02 can`t be rejected

Therefore, the saving through contribution by each member of SHG is the cause for the Bank linkage and financial inclusion of members of SHGs who are rural poor.

c) Hypothesis test-3 : Decision

Decision: Since the correlation coefficient between the variable is positive but not equal to 1, therefore, there exists a positive correlation between the variables

Hence, we are not rejecting the null hypothesis H03.

Therefore, Bank linkage, Financial Inclusion are highly correlated with Women entrepreneurship among rural poor

$$Ei = \frac{(\text{Total of Rows X Total of columns})}{\text{Grand total}}$$

B. Test Of Association Or Independence

For the current study, we assume two or more independent varibles to compare the distribution of response with the out come variable among other independent variables..

Test of Association or Independence between the variable to prove the sequence among the independent variables and to establish the impact of all variables on each other which are contributing for the women entrepreneurship in improve the standard of living of the rural poor of Karnataka.

Hence, we adopted the test of Chi-square to know the association between the variables identified for the study by accepting or by rejecting the null hypothesis being framed.

Where, Oi is the observed frequency value , Ei is the expected frequency of the response categories in each table, r is the number of rows in the given two-way table and c is the the number of columns in the given two-way table. We use the following formula to find expected frequesncy of the given data.

$$X^2 = \sum (Oi-Ei)^2/Ei$$

The Degree of freedom is calculated using the = (C-1) x (R-1)

Decision Rule:

- If the Chi-Square test calculated value is less than the critical value/ Table value corresponding to the degree of freedom, then we fail to reject the null hypothesis.
- Also, if the calculated value of Chi-Square test is greater than the critical value/ Table value corresponding to the degree of freedom, then we fail to accept the null hypothesis

1) Test of association between numbers of SHGs with banks- Region -wise- Karnataka - As a means of Financial Inclusion

Year	2020-21	2019-20	2018-19	2017-18	2016-17	Total
Number of SHGs	3961703	874536	907391	835643	1031733	7611006
Amount of Saving through contribution by each members	2129485	151437	115494	114702	131181	2642300
Total	6091188	1025973	1022885	950345	1162914	**10253306**

Year	2020-21		2019-20		2018-19		2017-18		2016-17		Total
	Oi	Ei	Oi	Ei	Oi	Ei	Oi	Ei	Oi	Ei	
Number of SHGs	3961703	4521475	874536	761577	907391	759285	835643	705438	1031733	863228.	7611006
Amount of Saving through contribution by each members (Rs. In Lakhs)	2129485	1569713	151437	264396	115494	263600	114702	244906	131181	299686	2642300
Total	6091188		1025973		1022885		950345		1162914		**10253306**

Number of SHGs	69301	24032	28889	24032	32892
Amount of Saving through contribution by each members (Rs. In Lakhs)	199619	48259	83214	69223	94745

Source: NABARD

Calculated value of Chi-Square Test =674208.15 or 6.74

Degree of freedom= (r-1) x (c-1)

= (2-1) x (5-1) = 4Table value of Chi-Square vale corresponding to

degree of freedom at 5% value 4 is = 9.49 Since the Chi-Square calculated value is 6.74 which is less than the critical value = 9.49.

We fail to reject null hypothesis.

This means, the SHGs have a significant impact on the Savings by the rural poor.

2) Test of association between Amount of Saving through contribution by each members and Bank Linkage of poor.

Year	2020-21	2019-20	2018-19	2017-18	2016-17	Total
Amount of Saving through contribution by each members (Rs. In Lakhs)	212948	151437	115494	114701	131181	2642300
SHGs Saving Linked with Banks (Rs. In Lakhs)	11042647	151437	99208	61104	79152	11433549
Total	13172132	302874	214702	175806	210333	14075849

Amount of Saving through contribution by each members (Rs. In Lakhs)	47627	35715	34715	63124	61805
SHGs Saving Linked with Banks (Rs. In Lakhs)	490522	8399	29447	43977	46432

Year	2020-21		2019-20		2018-19		2017-18		2016-17		Total
	Oi	Ei	Oi	Ei	Oi	Ei	Oi	Ei	Oi	Ei	
Amount of Saving through contribution by each members (Rs. In Lakhs)	2129485	2472655	151437	93615	115494	67196	114702	55508	131181	66886	5398160
SHGs Saving Linked with Banks (Rs. In Lakhs)	11042641042647	8947648	151437	119726	99208	169951	61105	139402	79152	167285	20977561
Total	13172132		302874		214703		175807		210334		**26375722**

Source: NABARD

Calculated value of Chi-Square Test = 861763.71 or 8.61

Degree of freedom= (r-1) x (c-1)

= (2-1) x (5-1)= 4

Table value of Chi-Square vale corresponding to degree of freedom at 5% value 4 is = 9.49.

We fail to reject null hypothesis.

This means, the saving through contribution by each member of SHG is the cause for the Bank linkage and financial inclusion of members of SHGs who are rural poor.

3) Test of association between SHGs Saving Linked with Banks and Loan Disbursed under NRLM/SGSY scheme for women entrepreneurship

Year	2020-21	2019-20	2018-19	2017-18	2016-17	Total
SHGs Saving Linked with Banks (Rs. In Lakhs)	11042647	151437	99208	61105	79152	11433549
Loan Disbursed under NRLM/SGSY scheme for women entrepreneurship (Rs. In Lakhs)	730972	584778	441888	430575	268077	2456290
Total	11773620	736215	541097	491680	347229	**13889840**

Year	2020-21		2019-20		2018-19		2017-18		2016-17		Total
	Oi	Ei	Oi	Ei	Oi	Ei	Oi	Ei	Oi	Ei	
SHGs Saving Linked with Banks (Rs. In Lakhs)	11042647	9691563	151437	659529	99208	486268	61105	442838	79152	313343	23027090
Loan Disbursed under NRLM/SGSY scheme for women entrepreneurship (Rs. In Lakhs)	730972	1134834	584778	99324	441888	74740	430575	69097	268077	49564	3883849
Total	11773620		736215		541097		491680		347229		**26910940**

SHGs Saving Linked with Banks (Rs. In Lakhs)	188352	391427	308092	329060	175033
Loan Disbursed under NRLM/SGSY scheme for women entrepreneurship (Rs. In Lakhs)	143725	2372695	1803558	1891057	963355

Source: NABARD

Calculated value of Chi-Square Test = 8566354.4 or 8.57

The degree of freedom= (r-1) x (c-1)

= (2-1) x (5-1) = 4

Table value of Chi-Square vale corresponding to degree of freedom at 5% value 4 is = 9.49

Since The Chi-Square cclculated value is 8.57 which is less than the critical value 9.49.

We fail to reject null hypothesis.

This means, There is a significant association between SHGs Saving Linked with Banks and Loan Disbursed under NRLM/SGSY scheme for women entrepreneurship.

Hence we can conclude from the data analysis and the hypothesis testing using analytical tools like Correlation and the Chi-square test that, Microfinance through the means of SHGs, Bank Linkage, financial inclusion and Women entrepreneurship is the reason for upliftment of standard of living and poverty alleviation among the rural poor in Karnataka.

VI. CONCLUSION

Women have historically been marginalised. Women represent a substantial share of the world's poorest people. Micro-finance programmes might be able to help people step-out of poverty. Microfinance may be able to assist them in expanding their horizons while also giving social validation and support. Various customary and informal credit arrangements that existed at the time before micro money became popular. The suitability of a micro account should be assessed from a much broader perspective, taking into consideration all of its pointed aspects.

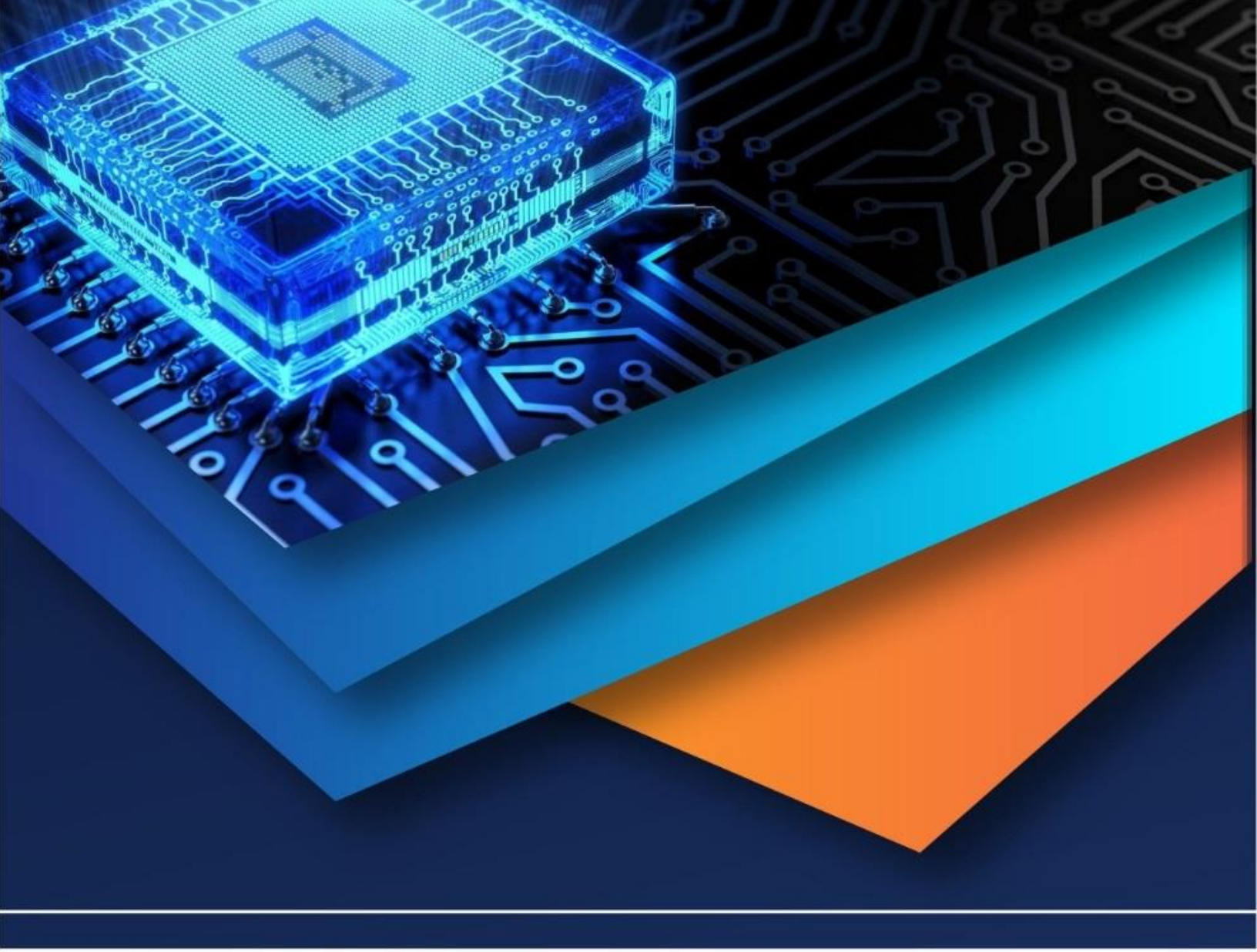
Micro accounts, as a core component of poverty reduction programmes, can contribute to addressing issues of insufficient housing and local administrations, according to the findings. This evaluation consists of determining a degree of flexibility in the credit assessment and allows it to meet the different credit criteria of the low-income customer without placing an unreasonable large cost on the banks of monitoring its ultimate use. Giving multifunction solitary or composite acknowledgment for money age, lodging improvement, and utilisation assistance is a promising arrangement. It has been established that utilisation credit is particularly essential throughout the development phase between starting another financial transaction and implying favourable pay.

India is the country with the most advanced cooperative model amongst banks, NGOs, MFIs, and women's organisations. As a result, it's a great place to start looking for what we've learned already about "Recommended Practice" in microfinance for women's empowerment and how various organizations might collaborate.

To demonstrate how programmes might effectively help in gender equality and women empowerment, Gender based microfinance programmes must go beyond enhancing women access to the savings and credit and forming SHG organisations. However, society has enabled women to have a stronger influence due to the ability to combine helpful and conceptual employment in microfinance activities, as they will enhance the personal enjoyment of the women micro - enterprise visionary as well as household.

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