

## **Impact of Microcredit on Socio-Cultural Status of Members of Wshgs; A Study in Jagatsinghpur District**

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**Abstract:** Odisha is a mineral rich state in India but the economy of the state mainly dependents on agricultural. Majority of the population belongs to rural areas; therefore rural sector is the main source of economic development and manpower in the state. The western part of the state is rich with industrialization whereas the eastern part of the state is rich with highly futile lands. In eastern part one of the costal district is Jagatsinghpur. Development of rural areas is essential for the enhancement of overall economy and for the betterment of rural communities. The aim of the present study was to find the impact of microcredit on socio-cultural status of the WSHG members in rural areas of district Jagatsinghpur. The universe for the present study was all WSHG of the said district. The Sample of 187 respondents was selected from the targeted population using the simple random sampling technique. A survey was conducted to carry out the study in which a close ended structured questionnaire. Both descriptive and inferential statistics were used to draw the results from the study. Through descriptive analysis, the study clearly demonstrated that microcredit has played a positive role in improving the socio cultural status of members of WSHGs. In this regard the study observed that microcredit played the positive role in changing and improving the women empowerment in the state.

**Key Words:** Microcredit, Economic Decision, Mobility, Household and Community

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### **I. Introduction**

India continues to live in villages. A very high proportion of Indian's is population is seen in rural areas. In the era of urbanization, in India out of its total population near about 70% of the country's population lived in villages. Odisha is one of the poorest states of the Indian union, is more rural based economy as compared to the national level. In this state as per 2011 census, 3.13 crores people living in rural areas constitute which is 85% of total population. The economy of the state is based on the development of the rural Odisha. Further, the demographic diversification of the rural population is a critical one. The rural population mainly depends on agriculture and allied activity. The rural people are mainly farmers, agricultural labourers or small artisans. They are engaged in traditional sectors of agriculture, sericulture, handicraft, fisheries, dairying, poultry etc. for intensifying their productivity and income generation. Now-a-days some of them are involved in small trade and business. On gender basis, out of total rural population, near about half of the population are belongs to female. The economic and social development of this major section of population may change the rural picture of Odisha. Women's in rural Odisha are facing domestic violence, assets not in the name of them, no decision making ability, no independence to utilize her own income, no recognition of contribution made to their family and no exposure to outside world and community. Impact study with a pure 'improving' objective is focus primarily on understanding impact processes and suggesting how programs can become responsive to beneficiaries demands and needs'. The aim of the impact study is to measure the amount or direction of change that can be plausibly associated with program participation. In this context the current research 'Impact of microcredit on socio-cultural status of members of WSHGs; a study in Jagatsinghpur district' aims to indentify the impact of microcredit on the socio-cultural status of the rural deprive women.

### **II. Literature Review**

Hossain (1984) conducted a study of Grameen bank in Bangladesh. The study focuses attention on the socio-economic conditions of the borrowers, use of loan and recovery performances. The findings indicate that the Grameen Bank has made positive contribution to the alleviation of poverty in the area of its operation. Further, in 1988 he concluded that the Grameen Banks in Bangladesh were able to eradication of poverty in its service area and increases the income of the members about 43% higher.

Rehman (1987) in his research on "Alleviation of rural poverty, Replicability of Grameen Bank Model" assessed the impact of the Grameen Bank on the existing rural power structure of Bangladesh. The findings of the study indicated that the Grameen Bank members being conscious of their status have already developed a countervailing to ensure their participation in the development process.

Wahid (1994) has defined the term Grameen as rural. He indentified that the Grameen Bank of Bangladesh has introduced a mechanism to provide financial assistance (credit) to the poorest of the poor in rural Bangladesh on a group liability basis without any collateral. Based on this principle, the bank has been

successfully operating with a record loan recovery rate 95% at the end of 2000, where 2.4 million members were benefited out of which 95% were women, with \$225 million outstanding loan.

Khandker(1998) in his study based on extensive survey data from Bangladesh, demonstrates that microcredit programmes are an effective policy instrument for reducing poverty among poor people with the skills to become self-employed. Further, he pointed out, microcredit programmes are more cost-effective than other types of anti-poverty programmes and important for Bangladeshi women. The effectiveness microcredit programmes increased with participation of women as the impact on household consumption was twice as great when the borrowers were women.

Ravicz (1998) examines five Indonesian microfinance programs and finds that subsidies can play a valuable temporary role in the supply of microfinance. If these programs had been not subsidized in their early years, they would have been forced to charge interest rates that clients couldn't have afforded to pay. Subsidies have given these programs time to develop the approaches, scale and staff and client experience necessary to move towards self-sustenance while charging high but affordable interest rates.

Lakew (1998) examines Project Office for Creation of Small Scale Business Opportunities (POCSSBO) micro financing program contribution to poverty reduction. He found that after the credit program employment opportunity for the beneficiaries have been created. He also noted that the credit program of POCSSBO had positive effect on income and saving of the clients. In addition, He stated that medical, education and nutrition access of the clients had been improved.

Joanne and Tripathy (1998) in their research studies find that government agencies particularly banks and micro credit institutions, work with a safe target group – not the real poorest, because of funding accountability concerns, government micro credit programs and staff tend to be both paternalistic and distrustful of the poorest, and identifying and riching the poorest is extremely time consuming.

Mosley and Hulme (1998) explained that many studies avoid calculations of poverty impact and often treat the fact that small loans are being made as the proof that the poor are being riched and the fact that loans are being repaid as proof that incomes have increased.

Kernan (2002) uses primary data on household participants and nonparticipants in Grameen Bank and two similar microcredit programs to measure the total and noncredit effects (noncredit services and incentives) of microcredit program participation on productivity. The total effect is measured by him estimating a profit equation and the noncredit effect by estimating the profit equation conditional on productive capital. Productive capital and program participation are treated as endogenous variables in the analysis. He found large positive effects of participation and the noncredit aspects of participation on self-employment profits.

Puhazhendi and Satyasai (2002) in their study on economic impact of the program by NABARD, covering 115 members from 60 SHGs in three backward eastern states,viz., Chattisgarh, Orissa, and Jharkhand revealed that there was significant increase in assets (up by 30%) and income level (up by 23%) of the members , with more than 80 per cent members coming from SC/ST and backward classes.

Borchgrevink et. al (2005) studied marginalized groups, credit and empowerment for the case of debit, credit and saving institution (DECSI) of Tigray. The study finds that female household heads are extremely marginalized groups and also young households' rural landless households and urban house-renting households are the other marginalized groups. Trough two-phase assessment, the study found that the DECSI's program has had a positive impact on the livelihood of and as well enhanced the social and political position of many clients.

Brett (2006) in his study revealed that having borrowed money from a microfinance organization to start a small business, many women in El Alto, Bolivia are unable to generate sufficient income to repay their loans and so must draw upon household resources. His article explores the range of factors (the social and structural context) that condition and constrain their success as entrepreneurs. The paper argues for a shift from evaluation on outcomes at the institutional level to outcomes at the household level to identify the forces and factors that condition women's success as micro-entrepreneurs.

Nirantar (2007) examined the impact on women members joining SHGs. Very limited efforts were made on the part of sponsoring agencies to provide literacy training to SHG members. Forty-seven per cent of groups formed under government programmes had not received any kind of capacity building input during the past two years and only 19% had received inputs on income generation and livelihoods. Less than 50% of groups studied had made any kind of linkages with the panchayat and only 36% of groups had taken up any social issue in the past two years. Only 11% of groups formed under government programmes had taken up issues such as domestic violence. Fifty-eight per cent of the groups had not received any loans even though more than 90% of the groups were depositing their savings. Most of the larger loans were given to leaders of the groups.

Pokhriyal and Ghildiyal (2011) have viewed services of the banks should not be restricted only to the linking the SHGs and providing the loans, it should be expanded to suggesting various income generating activities to the SHGs and the NGOs promoting SHGs. Average amount of the loan to the SHGs is too less to

start any fruitful activity and therefore it is suggested to enhance this income so that it could be used in income generating activities.

Chliova et al (2014) in their primary empirical meta-analysis, they empirically synthesize a total of 545 quantitative empirical findings from 90 studies conducted to the date. Their findings reveal a positive impact of microcredit on key development outcomes at the level of the client entrepreneurs. Additionally, they scrutinize how the development context influences the effectiveness of microcredit and find that microcredit generally has a greater impact in more challenging contexts.

Crépon et al (2015) in their report results from a randomized evaluation of a microcredit program introduced in rural areas of Morocco in 2006. Thirteen percent of the households in treatment villages took a loan, and none in control villages did. Among households identified as more likely to borrow, microcredit access led to a significant rise in investment in assets used for self-employment activities, and an increase in profit, but also to a reduction in income from casual labor. Overall there was no gain in income or consumption. We find suggestive evidence that these results are mainly driven by effects on borrowers, rather than by externalities.

Islam (2015) in his paper evaluates the effects of microcredit on household consumption using a large dataset from Bangladesh. Village fixed effects and instrumental variable strategies are used to estimate the causal effects of microcredit program participation. Overall, the results indicate that the effects of microcredit on consumption vary across different groups of poor household borrowers. The groups that benefit the most include the poorest of the poor participants. The benefits are low for households that are marginal to the participation decision. The effects of participation are generally stronger for female borrowers than for male borrowers.

### **Research Gap and the Statement of the Problem**

The research on Micro Finance Institutions is plenty but there is least research, as per existing literature, of microcredit and its impact on the clients (Women) the 'real poor section' of the society. The studies conducted on micro credit on different aspects so far are only piecemeal efforts dealing only with overall performance of microcredit, not related to any particular aspects. However, none of these studies so far have claimed any attempt in the direction of socio-cultural changes due to micro credit. In the backdrop of these activities, it is imperative to understand the present study entitled "Impact of Microcredit on Socio-cultural Status of Members of WSHGs; A study in Jagatsinghpur District."

### **III. Objective of the Study**

- To find out impact of microcredit on the economic decision making power of SHG member in their family.
- To find out impact of microcredit on the socio-cultural conditions of the women borrower in the undivided district of Jagatsinghpur.

### **IV. Hypothesis**

- H<sub>01</sub>: Participation in MCPs of RRB has no impact on the household's economic decisions i.e control over savings, loans, and income.
- H<sub>02</sub>: Participation in MCPs of RRB has no impact on a woman's mobility.
- H<sub>03</sub>: Participation in MCPs of RRB has no impact on a woman's contribution to the household
- H<sub>04</sub>: Participation in MCPs of RRB has no impact on a woman's contribution to the community which influences social and political activities.

### **V. Research Methodology**

In the previous section, the researcher has attempted to disclose the earlier research on impact of micro credit on social status of rural poor. This section deals with methodology adopted on data collection, research tools used, analysis of data for the study, procedure followed for the selection of respondents, methodology used to conduct research and observations made during the course of the study. To examine the impact of micro credit on socio- cultural condition of marginally poor SHG members, an analytical research is made.

In pursuit of the above objectives an exhaustive study and opinions of members of different WSHG operating in Jagatsinghpur District is considered the sample frame for the study. The collection of data for the purpose of the study is aimed at getting current information on socio-economic condition of beneficiary and impact of the micro credit plans on socio-economic condition of beneficiary in Jagatsinghpur District. Therefore, data is obtained to justify the above said objectives through primary sources. The Primary Data is collected from targeted audience with the help of a well drafted pre-tested structured questionnaire.

- **Sample Size:** 187 active members of WSHGs linked with RRB and within 2 years of their formation operating in the Jagatsinghpur District considered as respondents of the study.

- **Sample Units:** The respondents are the WSHG members who participated in MCPs of RRB in Jagatsinghpur District. They have been considered as individual and also as a household both for the study.
- **Sample Domain:** Jagatsinghpur, Tirtol, Ersama and Raghunathpur.

The survey has been conducted in two rounds, i.e Round 1 and Round 2 and the gap between both the rounds is one year. 60 WSHGs covered from 4 Tehsils. Four members from each WSHGs i.e 240 microcredit borrowers are administrated with the close-ended questionnaire to collect the data on their socio economic condition.

The 1<sup>st</sup> round of the study has conducted in November 2012 to April of 2013 and 2<sup>nd</sup> round from April 2014 to September of 2014. In the 1<sup>st</sup> round, 240 questionnaires are administrated, out of which only 187 questionnaires found completed. In the 2<sup>nd</sup> round the researcher has administrated only 187 questionnaires to those respondents who are eligible in 1<sup>st</sup> round. Every careful attempt has been made to collect the 187 filled up questioners in the 2<sup>nd</sup> round. The data collected in the 2<sup>nd</sup> Round has taken more time as comparison to the 1<sup>st</sup> Round.

Descriptive Statistical tools like percentage, Graph, Mean, Standard deviation and inferential statistics like 'Z' proportion used to manipulate the data. All these analysis are made with the help of SPSS -20 and MS-Excel 2007.

## VI. Analysis And Interpretation Of Data

**Table 1: Demographic Details of Respondents**

Categories	Details	No. of Respondents	%age
<b>Habitation</b>	Rural	115	61.50
	Semi-Urban	46	24.60
	Urban	26	13.90
	<b>Total</b>	187	100.00
<b>Age</b>	< 25 Years	9	4.81
	25-40 Years	136	72.73
	41-55 Years	42	22.46
	> 55 Years	0	-
	<b>Total</b>	187	100.00
<b>Cast</b>	General	81	43.32
	SEBC/OBC	66	35.29
	ST	4	2.14
	SC	36	19.25
	<b>Total</b>	187	100.00
<b>Education</b>	Under Metric	84	44.92
	Metric & Intermediate	79	42.25
	Graduate & above	24	12.83
	<b>Total</b>	187	100.00

### Details of respondents Profile

**Place of Residency:** The place of residency of 187 respondents is divided into three groups depending upon respondents from rural area, from semi-urban area and from urban area. Out of that 60.5%, 24.6% and 13.9% are from rural, semi-urban and urban area respectively.

**Age:** The total respondents are divided into four age groups' viz., is less than 25 years, 25-40 years, 41-55 years, and more than 55 years has been represented in 2<sup>nd</sup> section of Table 1. Out of total respondents 4.81% is of age less than 25 years, 72.73% respondents is belongs to 25-40 age group , 22.46% belongs to 41-55 age group and no respondents find in more than 55 years age group.

**Cast:** As the study deals with micro credit of RRBs the beneficiaries are rural poor. The respondents across four cast groups, viz., General, SEBC/OBC, SC and ST, comprised near about 43.32%, 35.29%, 2.14% and 19.25% of the sample respectively.

**Education:** As regards, division of respondents by their educational qualification, respondents having educational degree under metric dominate others. Out of total respondents under metric respondents are 44.92%, Metric & Intermediate respondents are 42.25% and Graduate are 12.83%.

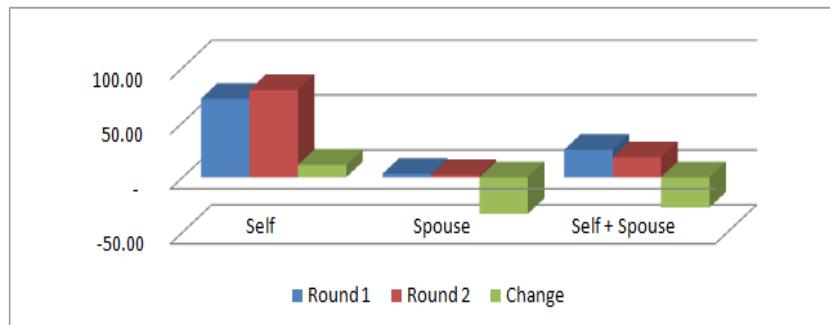
#### Analysis of Opinion of Respondents on Economic Decision

**Table 2: Summary of Decision taker to avail the Loan in a Family**

Details	Round 1		Round 2		Change
	No. of Respondents	%age	No. of Respondents	%age	
<b>Self</b>	134	71.66	149	79.68	11.19
<b>Spouse</b>	6	3.21	4	2.14	-33.33
<b>Self + Spouse</b>	47	25.13	34	18.18	-27.66
<b>Total</b>	187	100.00	187	100.00	-

Source: Primary data

**Figure 1: Decision taker to avail the Loan in a Household**



Source: Plotted from Table 2

In micro credit, the loan is given to the members of SHG. Financial decision in family is related how to use the savings, loans and incomes. Only disbursing loan in the name of a woman is not sufficient to accept that the women are involve in the financial decision making process in a household.

Data related to decisions on availing loan is summarized in Table 2. Financial decision may be taken by self (member), spouse or by both. When decision is taken by self + spouse, it may considered as participative process of decision making. When it is taken by spouse only it may considered as not giving financial decision making right to the women. In round one, it is indentified that 71.66% of respondents are taking loan on their own decision, 3.21% of respondents take loan on the decision of spouse. 25.13% of respondents avail loan deciding together (self +spouse).

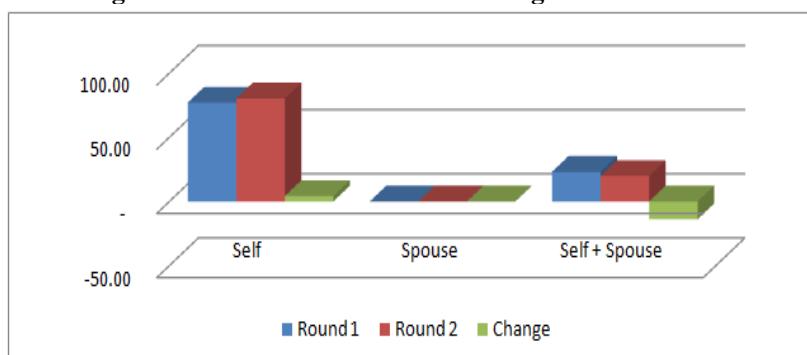
In 2<sup>nd</sup> round, an increase of 11.19% is recorded in self category over 1<sup>st</sup> round. 149 respondents in 2<sup>nd</sup> round confirmed that they are independently making decision on availing loan. Whereas, a decrease of 33.33% in spouse category and 27.66% decrease in spouse plus self category are recorded in 2<sup>nd</sup> round.

**Table 3: Summary of Decision taker to make Savings in a Household**

Details	Round 1		Round 2		Change
	No. of Respondents	%age	No. of Respondents	%age	
<b>Self</b>	144	77.01	150	80.21	4.17
<b>Spouse</b>	0	-	0	-	0
<b>Self + Spouse</b>	43	22.99	37	19.79	-13.95
<b>Total</b>	187	100.00	187	100.00	-

Source: Primary data

**Figure 2: Decision taker to make Savings in a Household**



Source: Plotted from Table 2

The opinion on saving decision is presented in Table 3. It is clear from the data that in savings decision the direct control of spouse is nil. Out of 187 respondents, 77.01% of respondents, individually take decision on savings whereas rest 22.99% of respondents jointly (Self + Spouse) take decision on the savings.

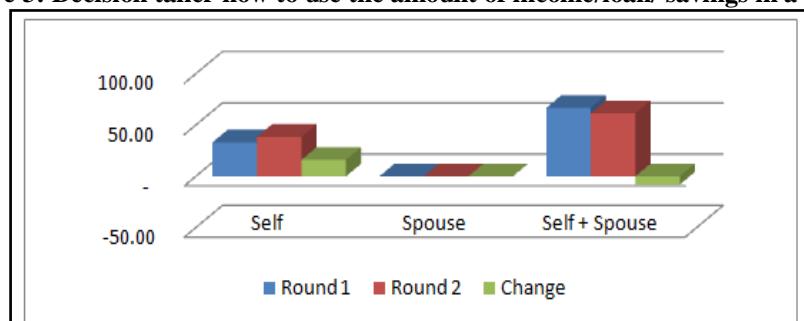
In 2<sup>nd</sup> round, it is found that 150 respondents individually take decision on savings whereas rest 37 respondents jointly (Self + Spouse) take decision on the savings. Further, it is observed from the data that the decision making power of individuals (self) on savings has been increased over period of study. In the 1<sup>st</sup> round 187 respondents take themselves decision on savings which is increased by 4.17% over period of study.

**Table 4: Summary of Decision taker, how to use the amount of income/loan/ savings**

Details	Round 1		Round 2		Changes
	No. of Respondents	%age	No. of Respondents	%age	
Self	62	33.16	72	38.50	16.13
Spouse	-	-	-	-	-
Self + Spouse	125	66.84	115	61.50	-8.00
Total	187	100.00	187	100.00	-

Source: Primary data

**Figure 3: Decision taker how to use the amount of income/loan/ savings in a Family**



Source: Plotted from Table 4

The investigation result on who takes the decision how to utilize (spend) the amount of income/loan/ savings is summarized in Table 4. It is clear from the table and corresponding figure that the respondents do not allow the spouse individually take decision on spending of the amount of income/loan/ savings. Further, it is noticed that the minimum 62% spouse indirectly control the spending decision of their wife. In the 1<sup>st</sup> round, out of 187 respondents, only 62 respondents are individually able to take decision on how to spend the amount of income/loan/ savings whereas in 2<sup>nd</sup> round, 72 respondents are individually able to take decision on how to spend the amount of income/loan/ savings. The difference between 2<sup>nd</sup> and 1<sup>st</sup> round is 10 i.e. an increase of 16.13% over 1<sup>st</sup> round is found.

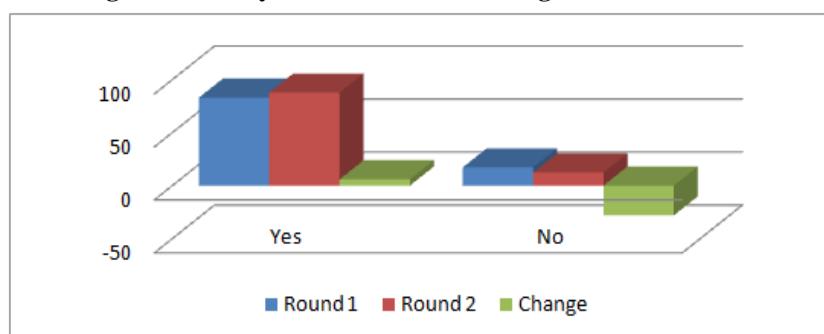
#### Analysis of Opinion of Respondents on Impact of Micro Credit on Enhanced Mobility

**Table 5: Opinion of Respondents on Ability to Move alone to manage their Own Work**

Details	Round 1		Round 2		Change
	No. of Respondents	%age	No. of Respondents	%age	
Yes	155	82.89	164	87.70	5.81
No	32	17.11	23	12.30	-28.13
Total	187	100.00	187	100.00	-

Source: Primary data

**Figure 4: Ability to Move alone to manage their Own Work**



Source: Plotted from Table 5

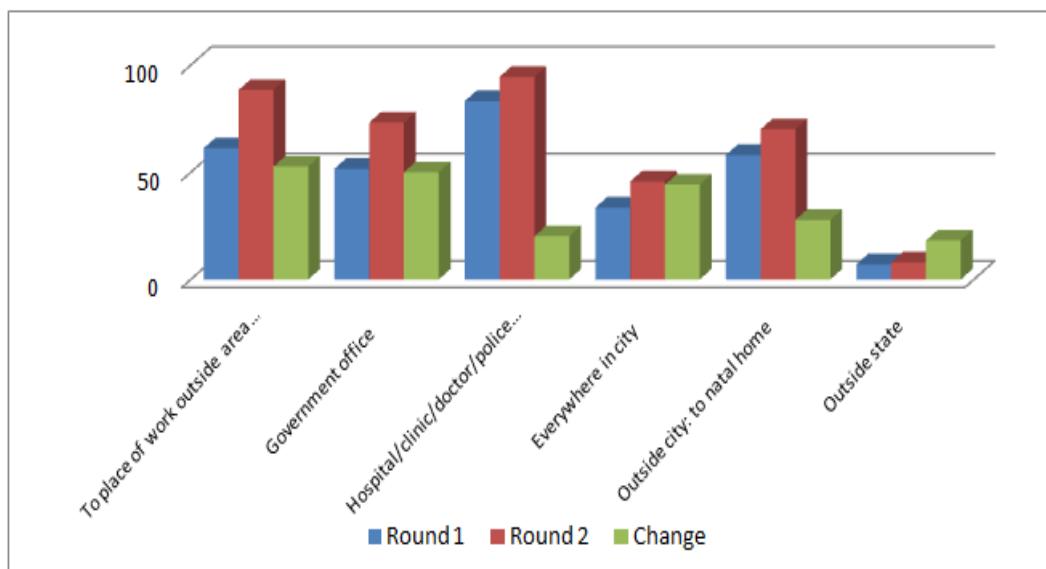
The social independence of the respondents is collected to know the social status of them. In social independence, the researcher has collected data on ability of respondents to move individually any place for their work. The data collected in both the round and summarized in table 5. In 1<sup>st</sup> round, 82.89% of respondents are able to move and manage their work independently which is increased to 87.7% in 2<sup>nd</sup> round. Total 9 (5.81%) respondents are able to transform their ability over period of the study.

**Table 6:Opinion of Respondents on Ability to Move some Specific Place alone to manage their Own Work**

Details	Round 1		Round 2		Change
	No. of Respondents	%age	No. of Respondents	%age	
To place of work outside area of residence	95	61.29	145	88.41	52.63
Government office/ Police Station	80	51.61	120	73.17	50.00
Hospital/clinic/doctor	129	83.23	155	94.51	20.16
Everywhere in city	52	33.55	75	45.73	44.23
To natal home	90	58.06	115	70.12	27.78
Outside state	11	7.10	11	7.93	18.18

Source: Primary data

**Figure 5: Ability to Move some Specific Place alone to manage their Own Work**



Source: Plotted from Table 6.38

A detail analysis is made on ability of the respondents to move different places independently. The result is summarized in table 6. Over all 5.81% growth on ability to move different places independently is recorded over period of study. The changes recorded 52.63%, 50%, 20.16%, 44.135, 27.78% and 18.18 respectively for parameter like; To place of work outside area of residence, Government office/police station, Hospital/clinic/doctor, Everywhere in city, To natal home and Outside state over period of study.

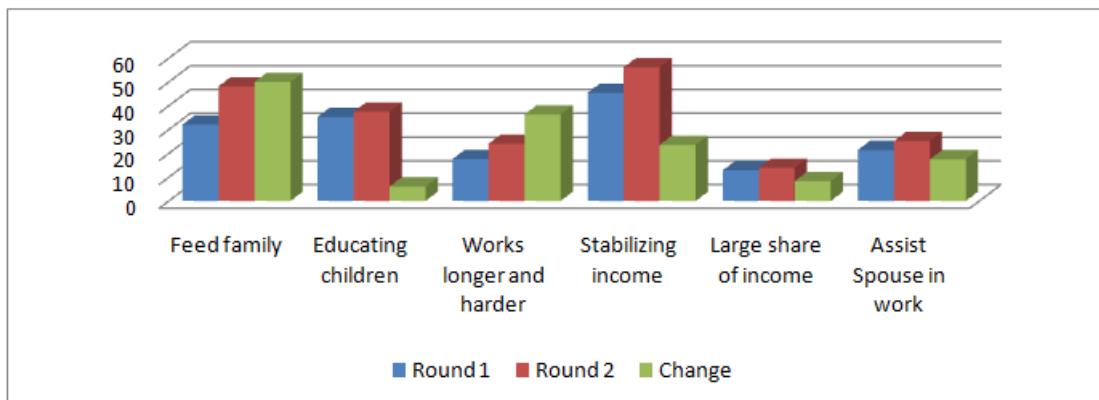
#### Analysis of Opinion of Respondents on Contribution made to the Household

**Table 7: Opinion of Respondents on their Contribution to the Household**

Details	Round 1		Round 2		Change
	No. of Respondents	%age	No. of Respondents	%age	
Able to feed family	60	32.09	90	48.13	50.00
Responsibility of educating children	66	35.29	70	37.43	6.06
Works longer and harder than others	33	17.65	45	24.06	36.36
Assist Spouse in stabilizing income of the family	85	45.45	105	56.15	23.53
Contributes large share of income	24	12.83	26	13.90	8.33
Assist Spouse in their work	40	21.39	47	25.13	17.50

Source: Primary data

**Figure 6: Contribution to the Household**



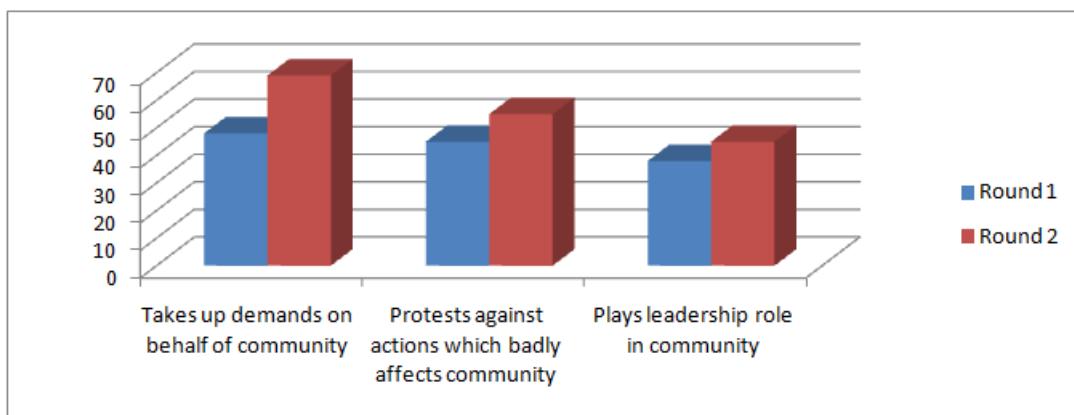
Source: Plotted from Table 7

Beside normal responsibility what are the additional things contributed by the respondents to their family has been collected. The additional contribution which the researcher point out are ‘Able to feed family, Responsibility of educating children, Works longer and harder than others, Stabilize income, Contributes large share of income and Assist spouse in his work. Top three changes were 50%, 36.36 and 23.53 recorded for the variable ‘Able to feed family, Works longer and harder than others, stabilize income.

**Table 8: Contributions of Respondents to the Community**

Contribution	Round 1		Round 2	
	No. of Respondents	%age	No. of Respondents	%age
Takes up demands on behalf of community	48	25.6684	69	36.8984
Protests against actions which badly affects community	45	24.0642	55	29.4118
Plays leadership role in community	38	20.3209	45	24.0642

**Figure 7: Contributions of Respondents to the Community**



Source: Plotted from Table 8

The contribution expected from the SSG members are ‘Takes up demands on behalf of community, Protests against actions which badly affects community and Plays leadership role in community’. Out of 442 respondents 131 respondents in 1<sup>st</sup> round and 169 respondents in 2<sup>nd</sup> round are indentified who contributes something to community.

#### Hypothesis Testing:

**H<sub>0</sub>1: Participation in MCPs of RRB has no impact on the household’s economic decisions i.e control over savings, loans, and income.**

To indentify the impact of micro credit on the household’s economic decision the information gatherer earlier on control over savings, loans, and income was re-summarized below. The objective of the study is to

identify the impact of microcredit on women empowerment. So the information only related to individual decision making was summarized.

**Table 9: Summary of Decision taker for different type of economic decisions**

Decision	Details	1 <sup>st</sup> Round %age	2 <sup>nd</sup> Round %age	Change
Avail Loan	Self	71.66	79.68	8.02
Make Savings	Self	75.11	79.19	4.08
Use of income /loan/ savings	Self	36.88	38.91	2.03

Source: Primary data

In control over loan, a change of 8.02% is recorded over the study period whereas 4.08% change is identified in control over savings. In control over income 2.03% change is recorded. The changes are not so high. At this juncture, an attempt has been made to know whether the changes are significant or not. ‘Z’ proportion test is applied to test the significance. The summary of the test is presented in Table 6.41

**Table 10: ‘Z’ proportion test summary of different type of economic decisions in a Family**

CONTROL OVER LOANS			
Details	Round 1	Round2	Difference
Sample proportion	0.7166	0.7968	0.0802
95% CI (asymptotic)	0.652 - 0.7812	0.7391 - 0.8545	-0.174
z-value		1.8	
P-value		0.0707	
CONTROL OVER SAVINGS LOANS			
Details	Round 1	Round2	Difference
Sample proportion	0.7701	0.8021	0.032
95% CI (asymptotic)	0.7098 - 0.8304	0.745 - 0.8592	-0.1662
z-value		0.8	
P-value		0.4505	
CONTROL OVER INCOME			
Details	Round 1	Round2	Difference
Sample proportion	0.3316	0.385	0.0534
95% CI (asymptotic)	0.2641 - 0.3991	0.3153 - 0.4547	-0.1944
z-value		1.1	
P-value		0.2815	

Source: Computed from Primary data

Table 10 has 3 parts. The 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> part respectively reveal ‘Z’ test result for control over savings, loans, and income. The test conducted at 95% of confidence interval. The z-value for control over savings, loans, and income is 1.8, 0.8 and 1.1 respectively. For variable namely control over savings, loans, and income, ‘P-value’ is 0.0707, 0.4505 and 0.2815 respectively. For each variable the P-value is greater than 0.05, which is interpreted as the difference observed over study period is not significant. So the null hypothesis ‘Participation in MCPs of RRB has no impact on the household’s economic decisions i.e control over savings, loans, and income’ is accepted at 95% of confidence level.

#### **H<sub>0</sub>2: Participation in MCPs of RRB has no impact on a woman’s mobility, contribution to the household and to the community which influence social and political activities**

In overall mobility, in 1<sup>st</sup> round 83% of respondents are able to move and manage their work independently which is increased to 88% in 2<sup>nd</sup> round. 27.12, 21.28, 11.28, 12.18, 12.06 and 0 percentage of change recorded respectively for the mobility namely ‘To place of work outside area of residence, Government office, Hospital/clinic/doctor/ police station, Everywhere in city and Outside city: to natal home’ over 1<sup>st</sup> round in the 2<sup>nd</sup> round. In contribution to the household, 55, 6.06, 36.36 and 8.33 percentage of change identified for the 1st four variables under study. At this juncture, an attempt has been made to know whether the changes are significant or not. ‘Z’ proportion test is applied to test the significance.

**Table 11: ‘Z’ proportion test summary of Impact of Micro Credit on Mobility of women**

OVERALL MOBILITY				
	Round 1	Round 2	Difference	Remarks
Sample proportion	0.8289	0.877	0.0481	
95% CI (asymptotic)	0.7749 - 0.8829	0.8299 - 0.9241	-0.1436	
z-value		1.3		
P-value		0.1891		P>0.05
TO PLACE OF WORK OUTSIDE AREA OF RESIDENCE				
Sample proportion	0.6129	0.8841	0.2712	
95% CI (asymptotic)	0.5431 - 0.6827	0.8382 - 0.93	0.1833 - 0.3591	
z-value	6			

P-value	<0.0001			P<0.05
GOVERNMENT OFFICE				
Sample proportion	0.5161	0.7317	0.2156	
95% CI (asymptotic)	0.4445 - 0.5877	0.6682 - 0.7952	0.1174 - 0.3138	
z-value		4.3		
P-value	<0.0001			P<0.05
HOSPITAL/CLINIC/DOCTOR/ POLICE STATION				
Sample proportion	0.8323	0.9451	0.1128	
95% CI (asymptotic)	0.7788 - 0.8858	0.9125 - 0.9777	0.0491 - 0.1765	
z-value		3.5		
P-value	0.0005			P<0.05
EVERYWHERE IN CITY				
Sample proportion	0.3355	0.4573	0.1218	
95% CI (asymptotic)	0.2678 - 0.4032	0.3859 - 0.5287	0.0227 - 0.2209	
z-value		2.4		
P-value	0.0161			P<0.05
OUTSIDE CITY: TO NATAL HOME				
Sample proportion	0.5806	0.7012	0.1206	
95% CI (asymptotic)	0.5099 - 0.6513	0.6356 - 0.7668	0.0234 - 0.2178	
z-value		2.4		
P-value	0.0151			P>0.05

Source: Computed from Primary data

Table 11 contains 'Z' proportion test summary of Impact of Micro Credit on Mobility of women. In mobility, impact of micro credit on overall mobility and on some specific factor is tested. Out of five variables in specific mobility the last variable i.e. mobility to outside state is not considered for test as the number of respondents remain same over period of study. From the remarks column it is clear that the 'P- value' is greater than 0.05 for overall mobility and Outside city: to natal home. This result leads to acceptance of null hypothesis that there is no impact of micro credit over these two motilities. Further ' P- value' is less than 0.05 for specific mobility like 'To place of work outside area of residence, Government office, Hospital /clinic/ doctor/ police station and Everywhere in city'. This result leads to rejection of null hypothesis that the micro credit has no impact on mobility.

**Table 12: 'Z' proportion test summary of Impact of Micro Credit on contribution to the household of women**

ABLE TO FEED FAMILY				
	Round 1	Round 2	Difference	Remarks
Sample proportion	0.3209	0.4813	0.1604	
95% CI (asymptotic)	0.254 - 0.3878	0.4097 - 0.5529	0.0611 - 0.2597	
z-value			3.2	
P-value	0.0016			P<0.05
ABLE TO EDUCATE CHILDREN				
Sample proportion	0.3529	0.3743	0.0214	
95% CI (asymptotic)	0.2844 - 0.4214	0.3049 - 0.4437	-0.195	
z-value		0.4		
P-value	0.6671			P>0.05
WORKS LONGER AND HARDER THAN OTHERS				
Sample proportion	0.1765	0.2406	0.0641	
95% CI (asymptotic)	0.1219 - 0.2311	0.1793 - 0.3019	-0.1646	
z-value			1.5	
P-value	0.1271			P>0.05
ASSIST SPOUSE IN STABILIZING INCOME OF THE FAMILY				
Sample proportion	0.4545	0.5615	0.107	
95% CI (asymptotic)	0.3831 - 0.5259	0.4904 - 0.6326	0.0057 - 0.2083	
z-value		2.1		
P-value	0.0385			P<0.05
CONTRIBUTES LARGE SHARE OF INCOME				
Sample proportion	0.1283	0.139	0.0107	
95% CI (asymptotic)	0.0804 - 0.1762	0.0894 - 0.1886	-0.138	
z-value		0.3		
P-value	0.7611			P>0.05
ASSIST SPOUSE IN THEIR WORK				
Sample proportion	0.2139	0.2513	0.0374	
95% CI (asymptotic)	0.1551 - 0.2727	0.1891 - 0.3135	-0.1712	
z-value		0.9		
P-value	0.392			P>0.05

Source: Computed from Primary data

'Z' proportion test of Impact of Micro Credit on contribution to the household of women is summarized in Table 12. It is clear from the table that 'P- value' is less than 0.05 for 'able to feed family' and 'assist spouse in stabilizing income of the family' whereas for rest variables the 'p-value' is greater than 0.05. The contribution of WSHGs was significantly changed over one year for the variable 'able to feed family' and 'assist spouse in stabilizing income of the family' and leads to rejection of null hypothesis. Further. For the rest four variables there was no significant change was recorded. This result leads to acceptance of null hypothesis that there is no significant impact of micro credit on contribution to the household of women for these variables.

**Table 13: 'Z' proportion test summary of Impact of Micro Credit on contribution to the community of women**

TAKES UP DEMANDS ON BEHALF OF COMMUNITY				
	Round 1	Round 2	Difference	Remarks
Sample proportion	0.2567	0.369	0.1123	
95% CI (asymptotic)	0.1941 - 0.3193	0.2998 - 0.4382	0.0183 - 0.2063	
z-value			2.3	
P-value			0.0192	P<0.05
PROTESTS AGAINST ACTIONS WHICH BADLY AFFECTS COMMUNITY				
Sample proportion	0.2406	0.2941	0.0535	
95% CI (asymptotic)	0.1793 - 0.3019	0.2288 - 0.3594	-0.1794	
z-value			1.2	
P-value			0.2425	P>0.05
PLAYS LEADERSHIP ROLE IN COMMUNITY				
Sample proportion	0.2032	0.246	0.0428	
95% CI (asymptotic)	0.1455 - 0.2609	0.1843 - 0.3077	-0.1692	
z-value			1	
P-value			0.3213	P>0.05

**Source: Computed from Primary data**

Further, impact of Micro Credit on contribution to the community of women, was tested and the result summarized in table 13. For the variable 'takes up demands on behalf of community' 'P- value' is less than 0.05 which is indicated in table- 13. This result leads to rejection of null hypothesis that there is no impact of micro credit on contribution to the community of women. Further, rest two variables 'P- value' is greater than 0.05. This result leads to acceptance of null hypothesis that there is no impact of micro credit on contribution to the community of women.

## **VII. Findings And Conclusion**

- In ascertaining the impact of micro credit on economic decision of the beneficiaries, the findings of this study suggest that 'in decision to avail loan' 7% increase is recorded in favour of beneficiaries, 'in decision to make Savings' 5% increase is recorded in favour of beneficiaries and 'in decision how to use amount of income/loan/ savings' 5% increase is recorded in favour of beneficiaries over 1<sup>st</sup> round in 2<sup>nd</sup> round. But these changes are not statistically significant.

In analyzing the impact of micro credit on social well being it is found that

- The enhanced overall mobility is 4081% as compare to the 1<sup>st</sup> round but the change is not significant.
- The enhanced mobility on 'To place of work outside area of residence' is 27.12%. Further the enhanced mobility on 'Government office', 'Hospital/clinic/doctor/ police station', 'everywhere in city' and 'Outside city: to natal home' is 21.56%, 11.28%, 12.18% and 12.06%. These changes are statistically significant.
- In contribution to the household, an increase in the contribution of WSHGs members was found over the period of study on every variable. The changes recorded for the variables namely; 'able to feed family' and 'assist spouse in stabilizing income of the family' was significant. But for the rest variables these changes are not statistically significant.
- In contribution to society, the impact of micro credit is negligible for the variable 'protests against actions which badly affects community 'and 'plays leadership role in community'. But the change due to micro credit on 'takes up demands on behalf of community' is significant.

The present study is both exploratory as well as conclusive in nature, where an attempt has made to understand the impact of microcredit on socio- cultural condition of the marginally rural poor women. The study conducted in Jagatsinghpur District which was one of the developed costal district of Odisha. The study findings

highlights that the microcredit programmes has little impact on women empowerment. On the other hand it contributed to social empowerment of rural women to a great extent.

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