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Title of Thesis: Micro Finance: A study of the effectiveness of fund flows among women of rural Gujarat

Abstract

Microfinance, as an instrument for financial inclusion, has received immense importance all over the world for the alleviation of poverty. The scheme includes savings, credits and other financial and/or business products that are micro in size, exclusively meant for poor client, who are conventionally believed to lack capacity to save and the ability to pay the high interest rates charged by commercial banks on credits. Though government is focusing on microfinance sector to enhance the life of poor people, it becomes necessary to understand its impact on beneficiaries.

The researcher has studied effectiveness of microfinance fund flows on women of rural Gujarat. The study is conducted in the villages of Gujarat. The primary data was collected from six villages of Gujarat namely Lapkaman, Detroj-Rampura, Kherva, Sipor, Usarvan and Kundha and it comprises of the final analysis of 627 women respondents. There are three main objectives of this research. The first objective is to find out relationship among different variables and it is proved with correlation and it indicate that there is strong correlation between independent variables loan procedures, saving behaviour, usage of loan amount, autonomy and changes in women's life on women empowerment and autonomy is the most influential independent factor. The second objective is to understand impact of different independent variables on dependent variable and it is proved with regression analysis that almost 76 percent of overall changes in women's empowerment is because of four independent factors which are loan procedure, saving behaviour, use of loan amount and women's autonomy. The third objective is studied to understand the model feasibility and it indicates that the model used by research shows overall 92.3% validity regarding prediction of variables.

“This PhD Thesis will help in policy framing for microfinance schemes.”