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**MICRO-FINANCE AS A TOOL FOR  
RURAL WOMEN EMPOWERMENT—A CASE STUDY ON WOMEN  
BASED SHGs OF CHANNARAYAPATNA TALUK IN HASSAN  
DISTRICT, KARNATAKA, INDIA**

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**ABSTRACT**

*Micro-finance has emerged as a powerful tool that enables the financial inclusion of rural and urban poor. It includes the provision of thrift, credit and other financial services and products of very small amounts to the poor in rural, semi-urban and urban areas for enabling them to raise their income levels and improve living standards.*

*Micro-finance institutions have expanded the frontiers of institutional finance and have brought the poor, specially the poor women into the formal financial system thus enabling them to access credit and fight poverty.*

*The experience in developing countries shows that, the provision of small credit to the poor through the linkage process contributes to the process of rural development by creating conditions that are conducive to human development. It is reported that significant changes in the living standards of SHGs members have taken place in terms of increase in income level, assets, savings, borrowing capacity and income generating activity. Moreover, the participation of women in the economic activity and decision-making at the household and at the society level is increasing and making the rural development process participatory, democratic and sustainable.*

*To assess the impact of Micro-finance in rural women empowerment for empirical validation of following issues viz., income generation, employment generation and change of life style patterns. The researcher has selected SHGs, which are mainly concentrated by women. A sample survey was conducted through administering the structured questionnaire.*

*The present study reveals that the Micro-finance has given women in India an opportunity to become 'agents of change'. The movement has made them more confident than ever, helping them to explore new possibilities in the generation of income leading to self-sustenance. It has also helped them to explore new horizon, new dreams and new hopes.*

**KEYWORDS:** *Micro-finance, Shelf -help Groups (SHGs), Empowerment.*