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Women empowerment through Financial Inclusion: A study on Shimoga Taluk

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Abstract

Financial inclusion and economic improvements are related to every other. The primary intention of financial inclusion is to make financial services available, easily and at low cost to all in a protected and transparent manner to help inclusive growth. But the unequal distribution of financial services amongst men and women creates an economic gap in the rural area. In order to eradicate this issue banking firms has taken various programs. This study is aim at to know about the awareness of women in knowing banking services on women empowerment in the Shimoga Taluk. This study consists of Shimoga taluk of Karnataka with Hundred and fifteen respondents have been chosen by way of simple random sampling method. This paper is to finds out that when women are actively taking part in the banking system, they can control risk, and educating them in financial management helps in controlling and minimizing the risk and maximize the saving trend.

Keywords: Financial inclusion, Banking system and Women empowerment.

1. Introduction

In Financial inclusion women are greater success of coping with financial issues than man in a household. Hence financially viable inclusion things to do are focused with the aid of women who are concerned in financial management. There are many houses till where the women are allowed to be involved. They are managed by way of men and women are taking care of the household responsibilities. As per RBI reviews 26% of the women had saving accounts in banks in 2011, and now it has been accelerated to 80% in 2021.

Hence many Govt. and non-government bodies declare that employment possibilities to women and financially motivate them to turn out to be unbiased various programs have been carried out for women to stay independent.

2. Statement of the Problem

Financial inclusion brings unbanked and under-banked people in the financial system to provide them the opportunity to access the financial services in order to create economic growth and leads to empowerment opportunities ([Lenka & Barik, 2018](#)). In India where women represent about 46th of total population majority of them denied to opportunities and rights as a result of their financial dependence. Through varied strategies by banks, government tries to create women economically independent. However, access to formal national economy isn't however reached to the whole Indian population. Access to credit is usually restricted for women who don't have assets like land and property. Limited literacy particularly money acquirement and lack of understanding typically plays as a hindrance in accessing of economic services.

Financial inclusion makes women informed regarding their role and right in economic development and alternative data for management. Money inclusion can modify girls for economic higher cognitive process, enhancing getting power, control over loans and control over financial gain and savings, borrow for investments and insure against risk.

3. Objectives of the study

- To analyze the different components of Empowerment of Women through Financial Inclusion.
- To analyze role of financial inclusion as a tool for women empowerment.

4. Methodology

In order to investigate whether financial inclusion promote women empowerment, primary data have been collected from women in Shimoga Taluk. Primary data for the study has been collected from 110 samples by using random sampling method. The sample survey was conducted by using a questionnaire.

5. Limitation of the study

The present study is restricted to the Shivamogga taluk of working women. The study focuses only on understanding the level of financial services awareness of the Shivamogga taluk of working women. The study focuses only on the women's awareness of the financial services available near their homes.

6. Data collection

The present study is based on both primary and secondary data of information. Primary data was collected from working women, tailors, teachers etc., through a field survey by using a structured questionnaire. The secondary sources of data were collected from published books, journal articles, reports, websites etc.

7. Data Analysis

The awareness of banking services among women in Shimoga Taluk,

Awareness of different types of accounts

Table 1: Awareness of Different Types of Accounts

Variables	Respondents	%
Savings A/c	55	55
POSB A/c	25	22.7
SHGs A/c	20	18.1
PM Jandhan A/c	10	09.0
Total	110	100

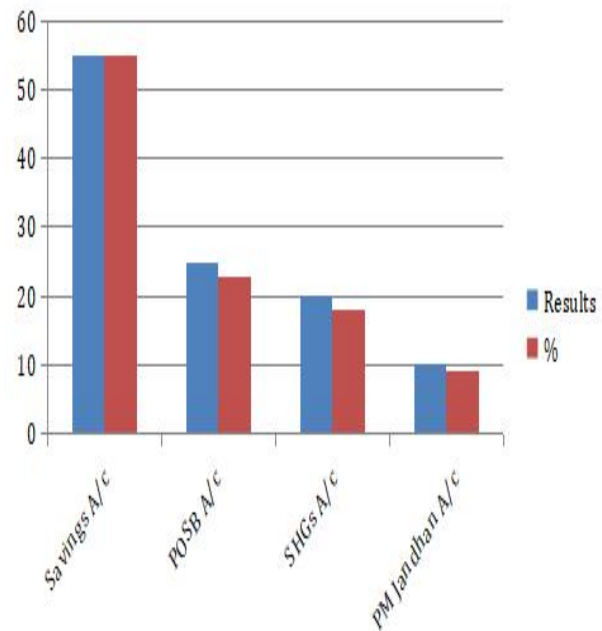


Figure 1: Awareness of Different Types of Accounts

The Table 1 and Figure 1 provides information about awareness of bank accounts. According to data, 55% percent of women said that they had a savings account, 22.7% have opened their savings account in Post Office. 18.1% of have opened in the SHGs for Debt purpose.

Table 2: Awareness of Various Bank Loans

Variables	Respondents	%
Home loan	50	45.4
Gold loan	30	27.2
Education loan	20	18.1
Personal loan	10	09.0
Total	110	100

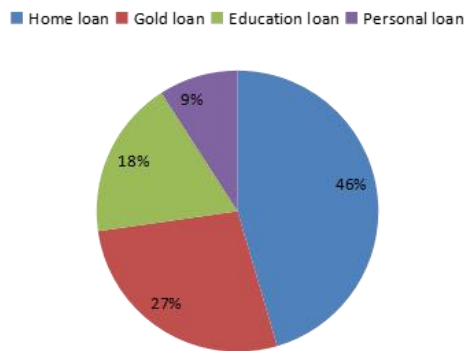


Figure 2: Awareness of Various Bank Loans

The Table 2 and Figure 2 reveals awareness of various types of loans available in banks. According to this study 45.4% had knowledge of home loan, 27.2% of the women took gold loan for their family purpose. 18.1% have taken education loan for their children’s education. Similarly, 9% of the respondents have taken personal loans. With the help, this data identified that women were more aware of these types of loans.

Table 3: Awareness of various financial services and insurance polices

Variables	Respondents	%
ATM/ Debit card	60	54.5
Mobile Banking	20	18.1
Health and Life insurance	6	07.2
Deposit schemes	24	21.8
Total	110	100

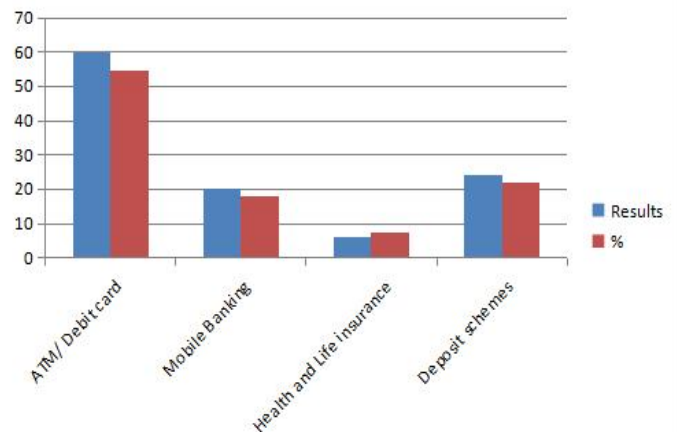


Figure 3: Awareness of various financial services and insurance polices

The Table 3 and Figure 3 above summaries the woman’s understanding level of various types of banking services and insurance 54.5% of working women have full knowledge about using banking products like ATM’s, debit cards, credit cards and mobile banking and many working women easily use these products in their daily activities.

8. Findings of the study

- Many of the respondents said that, they get a bank loan to raise their income and standard of living condition.
- Financial services helped to reduce the poverty among rural women.
- Most of the women in Shimoga taluk have taken gold loan, home loan etc.
- Many of the respondents said that banks offer some special benefits when it comes to lending to women such as low rate of interest on loans, reduced stamp duty changes and providing subsidies on Prdhana Mantri Avas Yojana.
- This study found that 43% of women in the Shimoga taluk created bank accounts through PMJDY.

- Lack of financial literacy among women is caused by financial exclusion.
- Formal banking requires different documents to lend but rural women are afraid to provide these documents.
- Many rural women living in isolated areas find it difficult in accessing banking services due to a lack of infrastructure.

9. Conclusion

Economic improvement is exclusively viable when empowerment of women and the banking firms provides a necessary role. Many of the rural women are below-income groups and they are specifically depending on men. It makes them vulnerable, but they are successful of being unbiased in dealing with economic, social and political issues. In this way, the banking a firm has taken on an initiative that helps women put into a stream that empowers them and in constructing self-confidence. To a certain extent a number of SHGs are assisting to enhance their understanding and capabilities play an unbelievable role in managing the household and society.

Thus, we conclude that financial inclusion promotes women empowerment. On the ground that bringing women into the mainstream financial system will have positive impact on their efficiency which is critical for inclusive growth, this study highlighted all these issues and calling for the policy revision to make the financial inclusion programmes more conducive and more convenient. When women have some saving, they're going to be financially independent. They can take their own decisions. In the case of women who have preoccupied their own business are prosperous and are financially independent.

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