

A study on Financial Inclusion and Women Empowerment in Rajasthan State

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Article Info

Volume 83

Page Number: 1051 - 1056

Publication Issue:

March - April 2020

Abstract:

Empowerment of women is considered as one of the most important responsibilities of every government. Till recently very little attention was given to empowerment issues or ways in which both empowerment and sustainability aims could be accommodated. Women's access to savings and credit gives them greater economic role in decision-making through their decisions regarding savings and credit. When women control decisions concerning credit and savings, they optimize their own and the household's welfare. Empowering women is to make them independent and not just in terms of finance, but in all aspects of social existence. The present study is an effort to understand to what extent financial inclusion has influenced the women and led to their empowerment.

Article History

Article Received: 24 July 2019

Revised: 12 September 2019

Accepted: 15 February 2020

Publication: 14 March 2020

Keywords: women empowerment, financial inclusion, decision making, self-independent.

INTRODUCTION

From the late 90s, until today, several organizations like National Agriculture Bank for Rural Development (NABARD), Micro Finance Institutions (MFIs), Government Organizations, Non-

Government Organizations (NGOs), etc. have instigated Self Help Groups (SHGs) for lending of micro finance and conducting of micro credit activities for the accomplishment of three main aims - Financial inclusion, Poverty alleviation

and Women empowerment. Microfinance, not too old, rather a recent conception in banking and financial sector, is regarded as world's one of the cures against poverty, in spite of the fact that each country or each region have diverse demographics. Since microfinance aims to offer small funds to needy people so that they can initiate their own enterprises and rise above the poverty they are currently in, microfinance thus holds importance as a hand offering the poor, especially the women, to achieve financial victory. In case of absence of microfinance, these deprived individuals or groups may find an alternative to these finances or advances in the form of either borrowing money from friends and/or relatives, or borrowing from places where the interest rate may be extremely high, or the last option, may refrain from any sort of lending, thus ending up leaving their idea or turning it a failure. Hence, microfinance is important to the underserved category as it provides them capital resources when they are not able to get lines of credit, checking accounts or loans from traditional banks, thereby motivating them to not only invest in their businesses, but also in themselves.

WOMEN AND FINANCIAL INCLUSION THROUGH MICRO FINANCE

Microfinance services lead to women empowerment by positively influencing women's decision-making power at household level and their overall socioeconomic status. Both men and women, face difficulties in establishing an additional enterprise, women have to overcome certain barriers like negative socio-cultural attitudes, legal barriers,

practical external level, experience and age. Another interesting factor is their strong social coherence that allows them barriers, lack of education and personal difficulties. One of the most essential factors contributing to success in micro entrepreneurship is access to capital and financial services. For various reasons, women have had less access to these services than men. Regarding limited-access to financial services, women depend largely on their own limited cash resources or, in some cases, loans from extended family members for investment capital. Smaller amounts of investment capital effectively limit women to a narrow range of low-return activities which require minimal capital outlays, few tools and equipment and rely on farm produce or inexpensive raw materials. In general, women need access to small loans (especially for revolving capital), innovative forms of collateral, frequent repayment schedules more appropriate to the cash flows of their enterprises, simpler application procedures and improved access to saving accounts.

RESEARCH DESIGN

The proposed research design for the paper as follows: -

1	Population or Universe: - The study conducted in the major districts in the state of Rajasthan. So whole Rajasthan region is universe for this study.
2	Sampling technique: - This study will be carried out in the Rajasthan region. The study pattern will be of randomly selected sample using non-probability sampling technique within the population selected.
3	Sample size: - The explored target is to 200 samples tentatively from area of the population in the present study.
4	Questionnaire design: Self-structured questionnaire was formulated pre-tested and then applied to gather information with the aim to solve the explored problem.

OBJECTIVES OF THE STUDY

The present paper work has the following objectives.

1. To analyse the different components of Empowerment of Women through Financial Inclusion in Rajasthan State.
2. To make an evaluation of opinion about women empowerment through Financial Inclusion.

RESULTS AND FINDINGS

1. Age Group

Age(years)	Frequency of respondents	Percentage (%)
18-28	60	30
29-39	80	40
40-50	40	20
More than 50	20	10
Total	200	100

Above table shows that majority respondent belongs to age group 29-39 and only 20 respondents belong to age group more than 50.

2. Marital Status

Marital status	Frequency of respondents	Percentage (%)
unmarried	70	35
married	90	45
Divorced	30	15
widow	10	5
Total	200	100

The table depicts that 90 respondents are married, 10 widow and 30 divorced.

3. Educational Qualification

Education qualification	Frequency of respondents	Percentage (%)
Below SSLC	30	15
SSLC	50	25
Plus two	70	35
Graduation	30	15
Post Graduation	20	10
Above post graduation	-	0
Total	200	100

The table shows that 70 respondents are SSLC, 30 Graduates and only 20 respondents are Post-Graduate and no one is above Post-Graduate.

4. Participation in Meeting

Participation in meeting	Frequency of respondents	Percentage (%)
Always	120	60
Sometimes	60	30
Rarely	10	5
Never	10	5
Total	200	100

The table depicts that 120 out of 200 always participate and 10 respondents never participate. Also, it can be concluded that most of the women used to attend the meetings.

5. Improvement in Life

Improvement in life after joining Kudumbashree	Frequency of respondent	Percentage (%)
Yes	183	91.5
No	17	8.5
Total	200	100

The table shows that 183 respondents agrees that microfinance have improved their life.

6. Change Created

Type of changes created	Frequency of respondent	Percentage (%)
Own saving	90	45
Financial empowerment	40	20
More courage	50	25
Deal with multiple people	10	5
Any other	10	5
Total	200	100

Table shows that 90 of the respondents have own saving, 40 of respondent have financial empowerment and 50 of respondent have more courage. Hence most of the respondents have own saving after microfinance joining.

7. Skills Developed

Skills developed	Frequency of respondent	Percentage (%)
Leadership skill	70	35
Entrepreneurial skill	40	20
Technical skill	90	45
Nothing	0	0
Total	200	100

The Table shows that 90 of the respondents develop their technical skill, 70 respondents develop leadership skill

and 40 out of them develop entrepreneurial skill.

8. Additional Attribute got

Additional attribute got	Frequency of respondent	Percentage (%)
Financial strong	120	60
Self decision	60	30
Help others also	15	7.5
Depend on other	5	2.5
Total	200	100

Table depicts that 120 respondents are financially strong and only 5 respondents depend on other but majority of women became financially strong.

9. Awareness about various schemes offered

Awareness about various schemes offered by govt	Frequency of respondent	Percentage (%)
Yes	150	75
No	50	25
Total	200	100

The table shows that 150 respondents are aware and only 50 deny that they are not aware about the schemes.

10. Increase in level of participation in public life

Increase level of participation in public life	Frequency of respondent	Percentage (%)
Yes	180	90
No	20	10
Total	200	100

The table shows that 180 respondents were able to increase level of participation in public life and only 20 respondents were not able to increase level of participation.

Correlation Testing

A. Correlation between age group, marital status, attribute and awareness of schemes offered

Correlations					
		age group	marital status	additional attribute	awareness of schemes offered
age group	Pearson Correlation	1	.990*	.665	-.1000**
	Sig. (2-tailed)		.010	.335	.
	N	4	4	4	2
marital status	Pearson Correlation	.990*	1	.749	-.1000**
	Sig. (2-tailed)	.010		.251	.
	N	4	4	4	2
attribute	Pearson Correlation	.665	.749	1	1.000**
	Sig. (2-tailed)	.335	.251		.
	N	4	4	4	2
awareness of schemes offered	Pearson Correlation	-.1000**	-.1000**	1.000**	1
	Sig. (2-tailed)	.	.	.	
	N	2	2	2	2

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

The results depict that age group, marital status, and attribute are having positive correlation and awareness of schemes offered is having negative correlation. So, it can be concluded that women are not properly aware about the schemes offered.

Regression Testing

A. Regression of awareness of schemes offered and age group

Variables Entered/Removed			
Model	Variables Entered	Variables Removed	Method
1	awareness of schemes offered	.	Enter
a. Dependent Variable: age group			
b. All requested variables entered.			

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	1.000*	1.000	.	.
a. Predictors: (Constant), awareness of schemes offered				

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	50.000	1	50.000	.	. ^b
Residual	.000	0	.		
Total	50.000	1			
a. Dependent Variable: age group					
b. Predictors: (Constant), awareness of schemes offered					

Coefficients ^a				
Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.
	B	Std. Error	Beta	
1 (Constant)	45.000	.000	.	.
awareness of schemes offered	-.200	.000	-1.000	.
a. Dependent Variable: age group				

The above table shows the regression of age group and awareness of schemes offered. We can identify that beta is negative. Hence it can be concluded that there is no proper awareness of schemes offered in all age groups

B. Regression of Improvement in Life and Level of Participation in Public Life

Variables Entered/Removed ^a			
Model	Variables Entered	Variables Removed	Method
1	improvement in life	.	Enter
a. Dependent Variable: increase in level of participation in public life			
b. All requested variables entered.			

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	1.000 ^a	1.000	.	.
a. Predictors: (Constant), improvement in life				

ANOVA ^a					
Model		Sum of Squares	df	Mean Square	F
1	Regression	3200.000	1	3200.000	.
	Residual	.000	0	.	.
	Total	3200.000	1		
a. Dependent Variable: increase in level of participation in public life					
b. Predictors: (Constant), improvement in life					

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	
		B	Std. Error	Beta	t
1	(Constant)	1.807	.000		.
	improvement in life	.964	.000	1.000	.
a. Dependent Variable: increase in level of participation in public life					

The results show that value of beta is positive hence it can be concluded that microfinance helps in increase in level of participation which automatically shows the improvement in life.

CONCLUSION

From the above results it may be concluded that financial inclusion through microfinance is a very effective tool for the uplift of the poor, in general and empowerment of women in particular. Advancing microfinance to the women through on reasonable terms and conditions make it possible for the women to attain economic independence, social status and organizational skills which results in helping the women and the poor function actively in the overall development of the society. Many microfinances are conducting awareness programmes on women empowerment for which the organizers need to get feedback from the participants which is one of the major observations of the study. Rural women felt they are economically and personally empowered whereas urban women felt they are socially empowered.

The study helped to get an insight on women empowerment after joining Microfinance. Most of the people were able to have their own savings and earning after joining Microfinance. Decision making power, skills, and awareness of the women were improved with the help of Microfinance.

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