



An Analytical Study of Women's Financial Inclusion and its role in women empowerment With Special Reference to Satna district (Madhya Pradesh)

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Abstract: -This research paper is descriptive in nature and it is based on the inclusion of women financially with special reference to Satna (Madhya Pradesh) and the role of financial inclusion in women empowerment. Financial inclusion is an indicator which indicates the economic development of any country. Any kind of gender gap in economic development hampers the economic growth as well as national growth of any country. Studies have shown that women can add positively to bank's growth because they are considered as the consistent banking customers. They tend to have deeper relationships with financial Institutions all through their life. Hence it is imperative for nation with nearly 50% of the women population to incorporate inclusive banking strategies.

Increasing women's financial inclusion is especially important in women empowerment process. Indian women disproportionately experience poverty and scarcity of resources restricting from unequal divisions of labour and a lack of control over economic resources. Many women remain dependent on their husbands and about one in married women has no control over household on major purchases. This research paper is based on secondary data which will disclose the real position of women empowerment through financial inclusion.

Key words: -economic development, financial inclusion, economic resources, women empowerment, scarcity.

1.1. Introduction: -

1.1.1. Concept of Financial Inclusion: - Financial inclusion is a process of delivering financial products and services like Bank Accounts, Saving Products, Remittances and Payment Services, Loan services, Insurance, Financial Advisory Services, Entrepreneurial credit, Microfinance and Microcredit to weaker section in rural and urban areas, also not to ignore unemployed, women, old people, physically challenged people etc. at an affordable cost. India is said to live in its villages, considering that nearly 72% of our population lives there. Though a significant proportion of our 6, 50,000 odd villages do not have a

single bank branch to boast of, leaving swathes of the rural population in financial exclusion. To overcome this problem the term financial inclusion introduced to include the disadvantaged group.

Financial Inclusion is the timely delivery of financial products and services to the underprivileged groups of society, e.g., farmer, rural people and low-income group. Its emphasis on 'No Frill' or 'Zero Balance' Accounts. The main purpose of introducing financial inclusion is to give the advantage of zero balance account to those people who are unable to maintain the minimum balance in the account like Rs. 5,000, Rs.10,000 etc. With the help of no frill account scheme, it can create a platform inculcating the habit to save money and to provide credit avenues at an affordable cost. Financial inclusion globally considered as a critical indicator of development and well-being of society. Apart from that there are various financial inclusion schemes in India has been launched for the benefit of low-income group of society.

1.1.2. Women Empowerment:- Women's empowerment can be defined to promoting women's sense of self-worth, their ability to determine their own choices, and their right to influence social change for themselves and others. It is closely aligned with female empowerment – a fundamental human right that's also key to achieving a more peaceful, prosperous world.

In Western countries, female empowerment is often associated with specific phases of the women's rights movement in history. This movement tends to be split into three waves, the first beginning in the 19th and early 20th century where suffrage was a key feature. The second wave of the 1960s included the sexual revolution and the role of women in society. Third wave feminism is often seen as beginning in the 1990s.

Women's empowerment and promoting women's rights have emerged as a part of a major global movement and is continuing to break new ground in recent years. Days like International Women's Empowerment Day are also gaining momentum.

1.1.3. Principles of women empowerment: - There are seven principles are women empowerment which are as follows: -

Principle 1: Create high-level corporate leadership for gender equality

Principle 2: Treat all people fairly at work, respecting and supporting non-discrimination and human rights

Principle 3: Ensure the health, wellbeing and safety of all workers, whether male or female

Principle 4: Promote education, training and professional development for women

Principle 5: Implement supply chain, marketing practices and enterprise development that empower women

Principle 6: Champion equality through community initiatives and advocacy

Principle 7: Measure and report publicly on progress to create gender equality

Fig.1.

1.1.4. The global landscape of women's empowerment: - Gender equality is a basic human right, and it is also fundamental to having a peaceful, prosperous world.

But girls and women continue to face significant challenges all around the world. Women are typically underrepresented in power and decision-making roles. They receive unequal pay for equal work, and they often face legal and other barriers that affect their opportunities at work.

In the developing world, girls and women are often seen as less valuable than boys. Instead of being sent to school, they are often made to do domestic work at home or are married off for a dowry before they are adults. As many as 12 million underage girls are married every year.

While some progress is being made in various parts of the world, there is still a great deal left to be done to right the problems of gender inequality.

1.1.5 Why is empowering girls and women so important?

Empowering girls is important to the fitness and social improvement of households, groups and countries. When girls are residing safe, fulfilled and efficient lives, they are able to attain their complete potential. contributing their abilities to the team of workers and might enhance happier and more healthy children. They also are capable of assist gasoline sustainable economies and advantage societies and humanity at large. A key a part of this

empowerment is thru education. Girls who're knowledgeable can pursue significant paintings and make a contribution to their country's economic system later in life. They also are 4 instances much less probably to get married younger once they have 8 years of education, that means that they and their households are more healthy.

2. Empowering women through financial inclusion: - Financial Inclusion is considered to be a critical indicator for development and well-being of the society around the globe. Providing inclusive financial services, that is, financial services affordable for all, has become a basic priority in many countries including India. G-20 Nations have emphasized on financial inclusion as a facilitator for achieving gender equality and other sustainable development goals. Women empowerment is a radical approach concerned with transforming power relations in favor of female gender and considered essential for global progress. Thus, an inclusive financial model is being adopted in developing nations to achieve fundamental to formative objectives. The current article investigates the dimensions of women empowerment, that is, social, political, and economic. It also undertakes a test to see if the dimensions change with financial inclusion. The authors draw upon literature to develop a structured questionnaire on women empowerment and financial inclusion through schemes like Pradhan Mantri Jan Dhan Yojana (PMJDY), Pradhan Mantri Jivan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), and Atal Pension Yojana (APY) on women living in urban slums in the industrial town of Ludhiana, Punjab. The data were collected from 737 females living in urban slums with PMJDY bank accounts. The result indicated that PMJDY scheme has been quite successful especially in case of women in slums and has a positive influence on social, political, and economic dimensions of women empowerment.

In 2005, the former general secretary of the United Nations quoted this statement to address the issue of gender inequality as a barrier in global development. He also emphasized upon the significance of 'Inclusive Financial Sector' to ensure gender economic equality. As per Findex data of World Bank, 1.2 billion adults have access to financial services since 2011, yet close to one-third, that is, 1.7 billion adults are still unbanked. About half of the unbanked population includes poor households or out of workforce (The World Bank, 2018). The G-20 summit, in 2010, perceived financial inclusion (FI) as one of the paramount pillars of the worldwide progress. In fact, financial inclusion has been identified as facilitator for seven of the 17 sustainable development goals. World Bank considers FI as the key to boost prosperity by poverty reduction. Since 2010, more than 60 countries have launched a national strategy directed towards attaining Universal Financial Access by 2020. Women empowerment is a radical approach to transform power relations in favor of female gender that leads to better gender equality (Batliwala, 2007). This enables females to make their life choices, which in turn, effectively improves their well-being. Gender equality and women empowerment are essential to global progress and it can be enhanced by providing affordable financial services to women (Holloway, Niazi, & Rouse, 2017). After the persuasions by G-20 in 2014, financial services were perfused to a vast section of the society, and the period between 2011 and 2014 witnessed an upward trend in the number of first-time adults as bank account holders. On the flip side, it was not able to fill the gender gap for access to basic banking services (Ghosh & Vinod, 2017). This led to social exclusion and gender disparity, highly rampant in case of developing country as

compared to a developed country (Ahmed, Aurora, Biru, & Salvini, 2001; Dawar & Singh, 2016). In the words of Noble

Laureate Amartya Sen, 'Poverty is not merely lowness of income, but deprivation of basic capabilities' (2014). Thus, accomplishing complete financial inclusion does not just determine the issues identified with financial structure, rather its center is annulling the condition of social exclusion (Rangarajan Committee, 2008). Thus, the inclusive financial model has emerged as an arrangement in developing nations to achieve formative objectives. Formulation of mechanism to achieve women empowerment through affordable financial services is a rigorous approach to achieve sustainable growth globally. The concerns for women empowerment have been rising in India over last few decades. Series of political events post-2014 in India has heightened societal concerns about women's role in economic life as well as critical roles within their households. Mostly, empirical articles in this literature have studied the effects of financial inclusion on women empowerment that has evaluated an over-broadened meaning of empowerment or a truncated part of it (Goetz & Gupta, 1996). Most investigations are typically cross-country research (Demirguc Kunt, Klapper, & Singer, 2013; Lampietti & Stalker, 2000; Quisumbing, Haddad, & Pena, 1995). Within a nationalized context, the studies address the conduct of female-headed family units concentrating basically on financial access alone (Fletschner, 2008; Hazarika & Guha-Khasnobis, 2008; Rawlings & Rubio, 2005). Another set of studies implies presence of gender gap due to lower financial literacy (Fernandes, Lynch, & Netemeyer, 2014), behaviour biases (Frisancho, 2016) and institutional segregation (Corsi & De Angelis, 2017). Estimation of women empowerment is another glitch as it cannot be straightforwardly observed and has numerous features (Beteta, 2006; Mason, 2005; Swain & Wallentin, 2009).

3. Financial Inclusion in India: -Financial inclusion brings unbanked and underbanked 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). The Reserve Bank of India (RBI), in 2015, defines financial inclusion as 'the process of ensuring access to appropriate financial products and services needed by vulnerable groups such as weaker sections and low-income groups at an affordable cost in a fair and transparent manner by mainstream institutional players.' Financial exclusion is a concern for developed as well as developing countries (Dymski, 2005). Even a 'well-developed' financial system has not been successful in bringing universal financial inclusion in many countries (Lenka & Barik, 2018). Financial Inclusion in the Indian context in the post-liberalization period has witnessed a significant increase in the number of bank branches in urban, semi-urban, and metropolitan regions. Yet, a large section of population is deprived of financial products and services in India at present (Chaia, 2009; Fuller, 1998; Peachy & Roe, 2004). To counter this situation, the Government of India has taken important steps such as the launch of PMJDY in 2014 for the 20–65 age group, with an aim to make financial services, such as banking, insurance, and pension, accessible at an affordable rate for lower- and middle-income groups. These schemes especially targeted women for their financial security (Table 1). These schemes have been idealized to keep with the pace of economic growth, and further to meet sustainable development goals (SDG). Interestingly, there has been an increased expectation on their effect

empowerment of women. Currently, 53 per cent women own bank accounts (Table 2) and majority of them are associated with public sector banks as on May 2019.

Table 1: Financial Inclusion Schemes Launched by the Government of India

Scheme	Details and Benefits	Eligibility
PMJDY launched in 2014	<ul style="list-style-type: none"> Accidental insurance cover of ₹0.2 million Life cover of ₹30,000 Overdraft facility upto ₹10,000 to preferably lady of the household RuPay ATM-cum-Debit Card 	<ul style="list-style-type: none"> All citizen of India with valid proofs Preference is given to female of household
PMJJBY launched in 2015	<ul style="list-style-type: none"> Pay premium is ₹330 per annum Risk coverage under this scheme is for ₹0.2 million in case of death 	<ul style="list-style-type: none"> People in the age group of 18–50 years Having bank account under PMJDY
PMSBY launched in 2015	<ul style="list-style-type: none"> Pay premium of ₹12 per annum The risk coverage under the scheme is ₹0.2 million for accidental death and full disability and ₹0.1 million for partial disability 	<ul style="list-style-type: none"> People in the age group 18–70 years Having bank account under PMJDY
APY launched in 2015	<ul style="list-style-type: none"> Fixed pension for the subscribers ranging between ₹1,000 to ₹5,000 	<ul style="list-style-type: none"> Minimum age of joining APY is 18 years and maximum age is 40 years Having bank account under PMJDY

Source: Financialservices.gov.in

Table 2: Accounts Under PMJDY (All figures in ₹ million)

Bank Type	Beneficiaries at Rural/ Semi-Urban centre Bank Branches	Beneficiaries at Urban Metro Centre Bank Branches	Rural-Urban Female Beneficiaries	Total Beneficiaries	Deposits in Accounts	Ru pay Debit Cards Issued to Beneficiaries
					781,556.7	
					172,782.7	
PSB	153.4	129.7	149	283.1		223.7
RRB	51.2	9.8	34	61	38.5	
PRB	6.9	5.5	6.7	12.4	29,806.1	11.6
Total	211.5	145.1	189.7	356.5	984,145.5	2774

Source: PMJDY Progress Report, GOI, May 2019. Retrieved from <https://www.pmjdy.gov.in/account> Notes: PSB—Public Sector Banks; RRB—Regional Rural Banks; PRB—Private Sector Banks.

4. Research Methodology:- This research is descriptive in nature and based on secondary data through various research papers and journals. On the basis of those research paper data has been analyzed with special reference to Satna district. For analyzing the role of financial inclusion in women empowerment only 30 women has been randomly selected who are working as well as home makers too. Simple random sampling has been used for validating the collected secondary data and Satna itself has been chosen for the research.

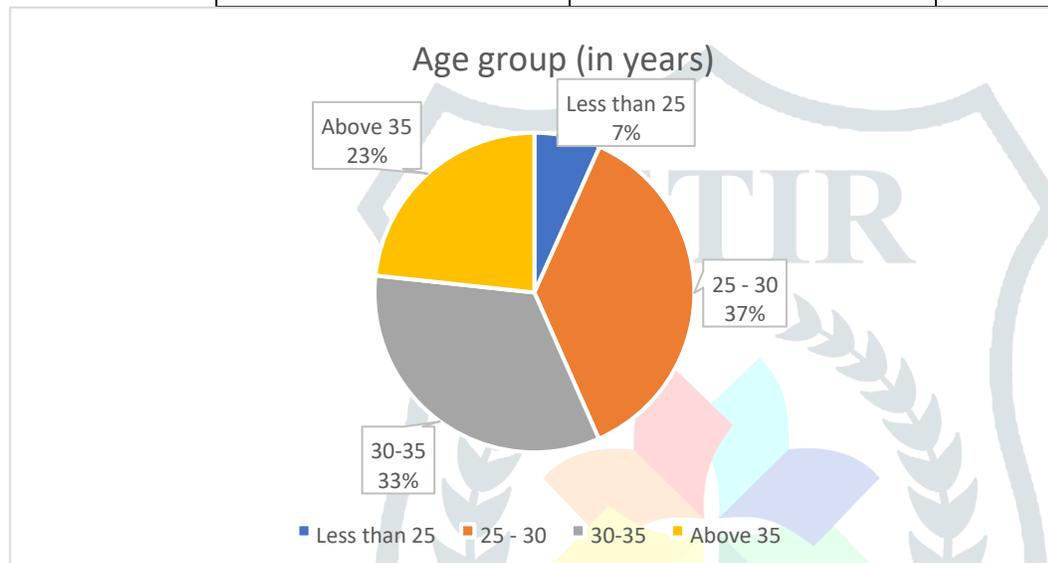
Sources of data: - journals, research papers and related websites.

Methods of data collection: - 10 questions have been selected with the help of existing questionnaire.

5. Analysis and interpretation: -**1. Demographic profile of respondents: -**

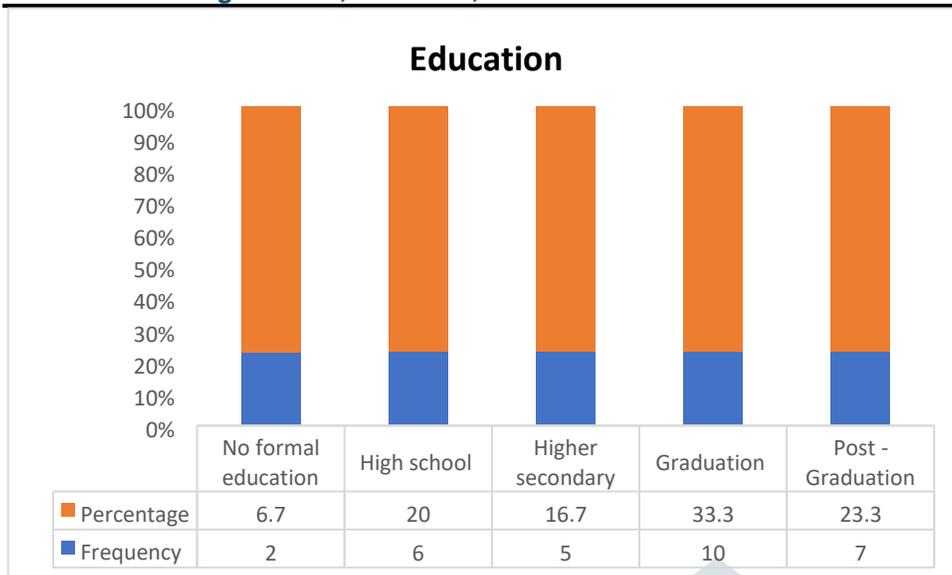
a)

Age group (in years)	Frequency	Percentage
Less than 25	2	6.7
25 - 30	11	36.7
30-35	10	33.3
Above 35	7	23.3
Total	30	100



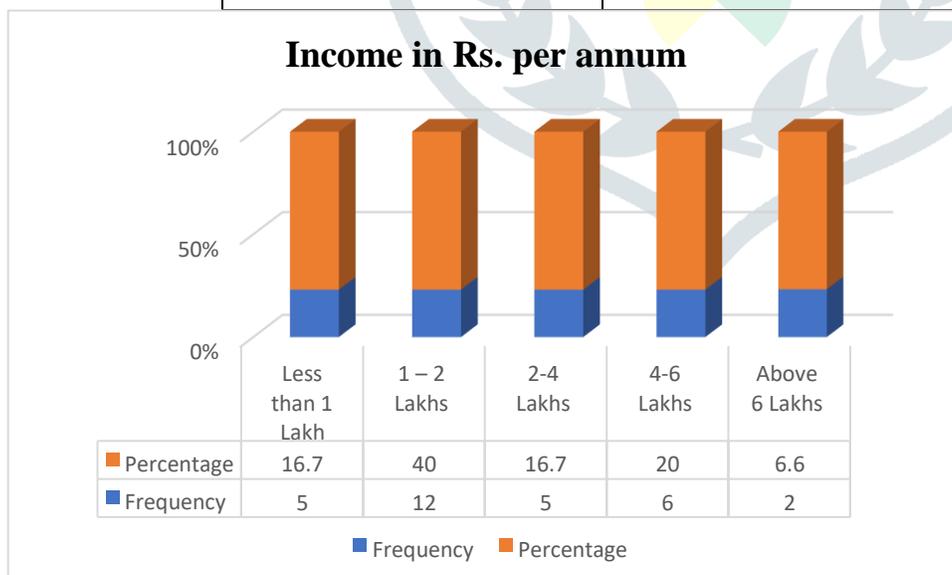
b)

Qualification	Frequency	Percentage
No formal education	2	6.7
High school	6	20
Higher secondary	5	16.7
Graduation	10	33.3
Post - Graduation	7	23.3
Total	30	100



c)

Income (in Rs. Per Annum)	Frequency	Percentage
Less than 1 Lakh	5	16.7
1 – 2 Lakhs	12	40
2-4 Lakhs	5	16.7
4-6 Lakhs	6	20
Above 6 Lakhs	2	6.6
Total	30	100

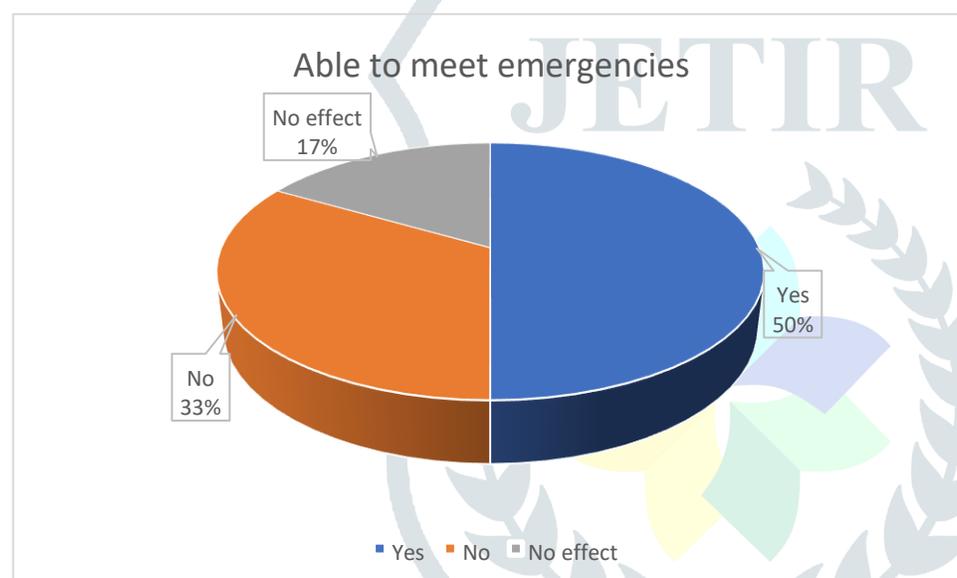


Interpretation: - The first question is related to demographic profile of women viz. age group, education and income. According to the graph it is clear that out of 30 respondents 11 (36.7%) are at the age group of 25 -30 yrs. which is in highest number while only 2 respondents (6.7%) was in less than 25 yrs of age. In terms of

education level of respondents' approx 33.3% respondents are having graduation degree where as 6.7% are not having any formal education. In terms of income 40% respondents are agreed that they are having income between 1-2 lakhs which is highest while only 6.6% were agreed that they are having income above 6 lakhs which are in less percentage.

2. Able to meet emergencies: -

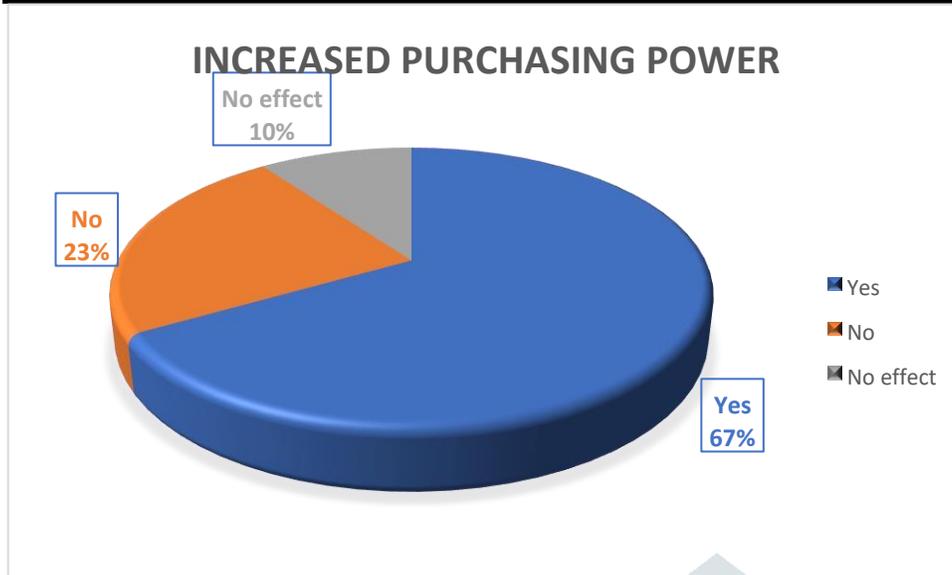
Respondent's Opinion	No. of respondents	Percentage
Yes	15	50
No	10	33.3
No effect	5	16.7
Total	30	100



Interpretation:- on the basis of second question it is clear that 50 % women are agreed that financial inclusion made them able to meet there emergencies, 33.3% were not agreed while 17 % has said that there is no effect of financial inclusion in order to meet emergencies.

3. Increased your purchasing power:-

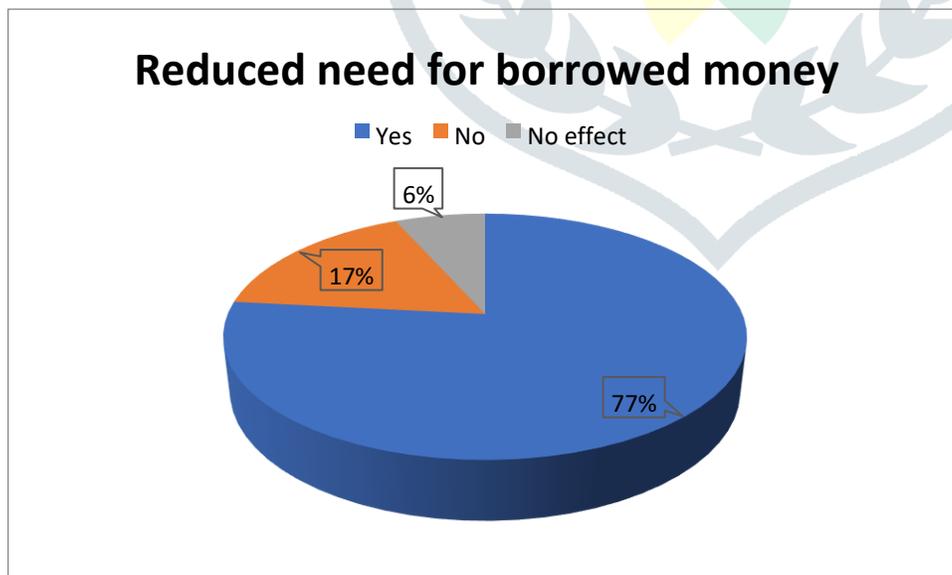
Respondent's Opinion	No. of respondents	Percentage
Yes	20	66.7
No	7	23.3
No effect	3	10
Total	30	100



Interpretation:- out of 30 respondents 67% women were agreed that due to financial inclusion have increased their purchasing power, 23% said No while 10% were saying that there is no effect.

4. Reduce need to borrow money or goods:

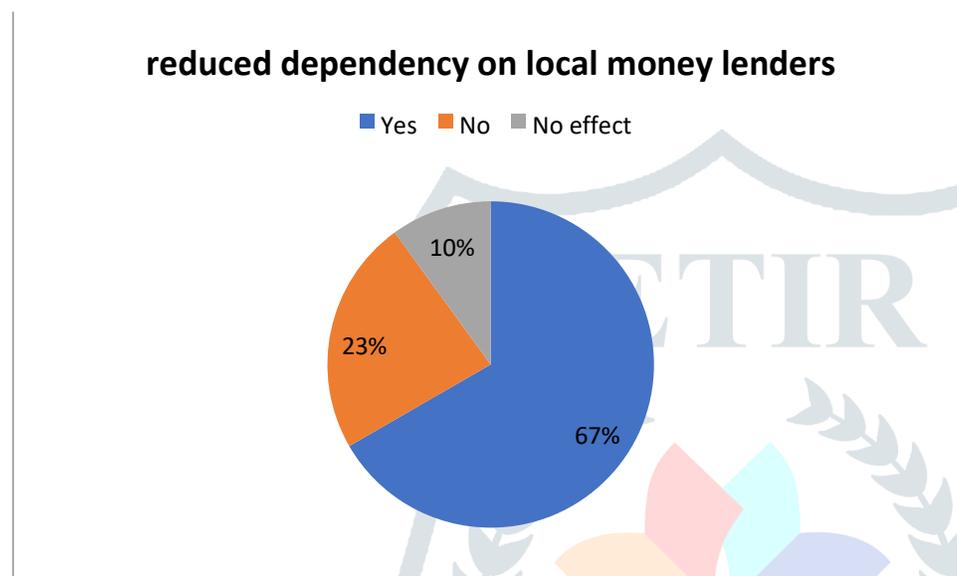
Respondent’s Opinion	No. of respondents	Percentage
Yes	23	76.7
No	5	16.7
No effect	2	6.6
Total	30	100



Interpretation:- 77% women are saying that with the help of financial inclusion their need for borrowed money has been reduced, 17 % denied this while 6 % were saying they didn’t felt it.

5. Reduce the dependency on local money lenders:-

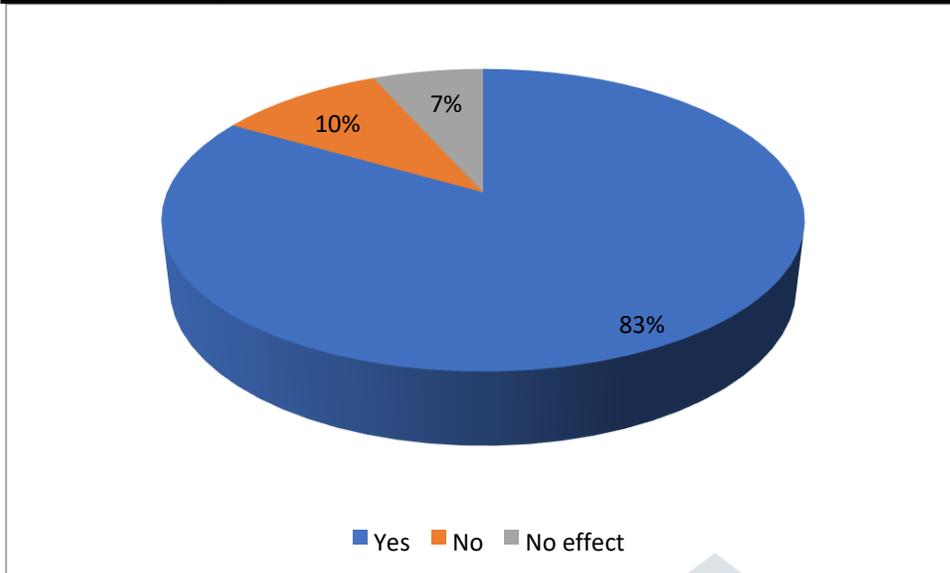
Respondent's Opinion	No. of respondents	Percentage
Yes	20	66.7
No	7	23.3
No effect	3	10
Total	30	100



Interpretation:- According to Table 5, 67% of women do not depend on local money lenders who charge high interest rate which means that most of the respondents go for formal financial market which is an essential condition for well-functioning financial system.

6. Children get better education:-

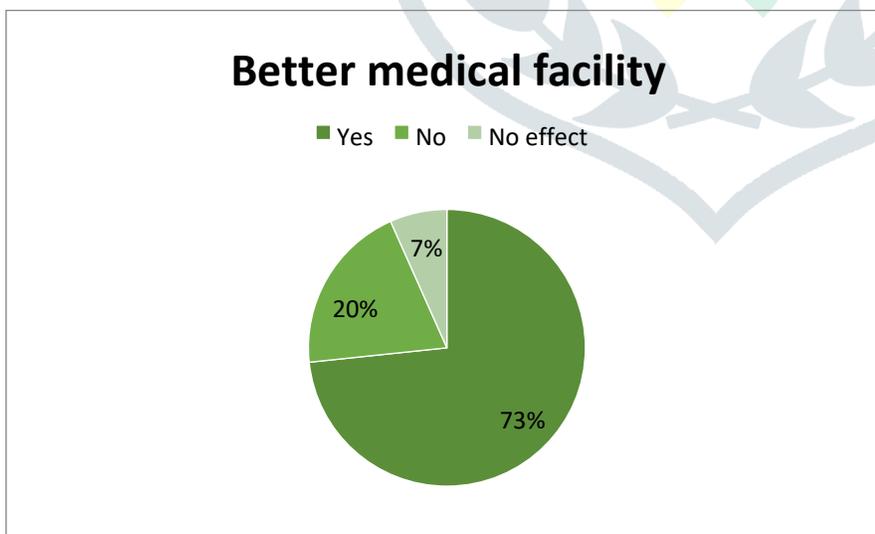
Respondent's Opinion	No. of respondents	Percentage
Yes	25	83.3
No	3	10
No effect	2	6.7
Total	30	100



Interpretation :- Findings of Table 6 indicates that after availing financial inclusion programmes, majority of the respondents(83.8%) are able to get their children better education and 11.4% opined that their child are not getting better education even after availing financial inclusion programmes. This might because of rural infrastructure constraints of the country.

7. Better medical facility:-

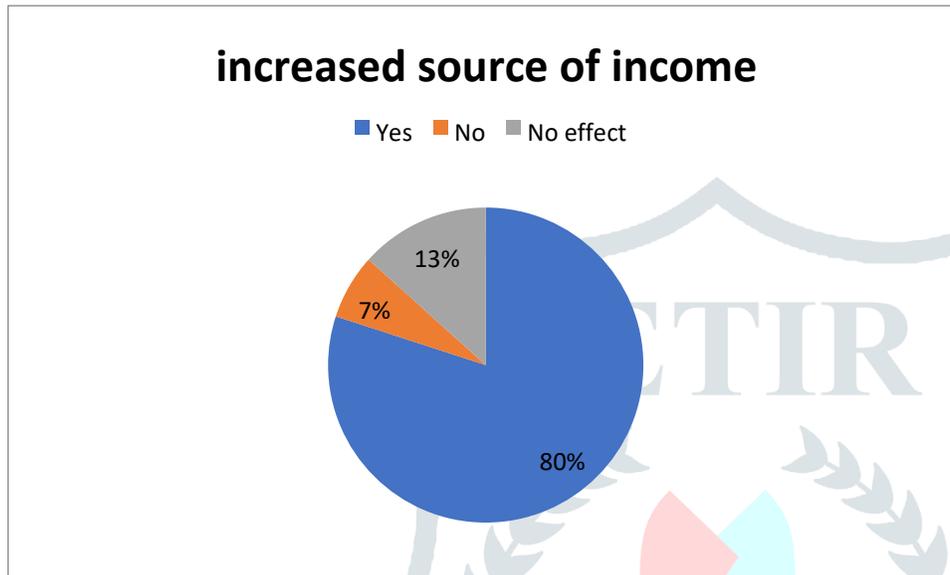
Respondent’s Opinion	No. of respondents	Percentage
Yes	22	73.3
No	6	20
No effect	2	6.7
Total	30	100



Interpretation:- Empirical results of Table 7 reveals that after availing financial inclusion programmes, 73% women are able to get better medical facility and 7% rural pined that financial inclusion programmes have no effect on getting better medication.

8. Increased source of income:-

Respondent's Opinion	No. of respondents	Percentage
Yes	24	80
No	2	6.7
No effect	4	13.3
Total	30	100



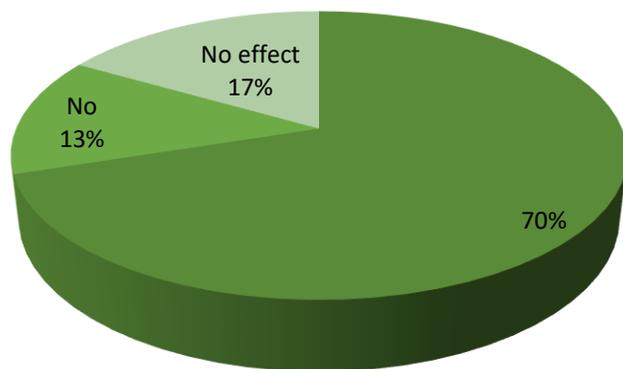
Interpretation:- According findings of Table 8, it is evident that financial inclusion programmes enhanced their source of income as because 80% women have now more source of income.

However, 7% women think their source of income have not expanded.

9. Increased position in the family:-

Respondent's Opinion	No. of respondents	Percentage
Yes	21	70
No	4	13.3
No effect	5	16.7
Total	30	100

increased position in the family

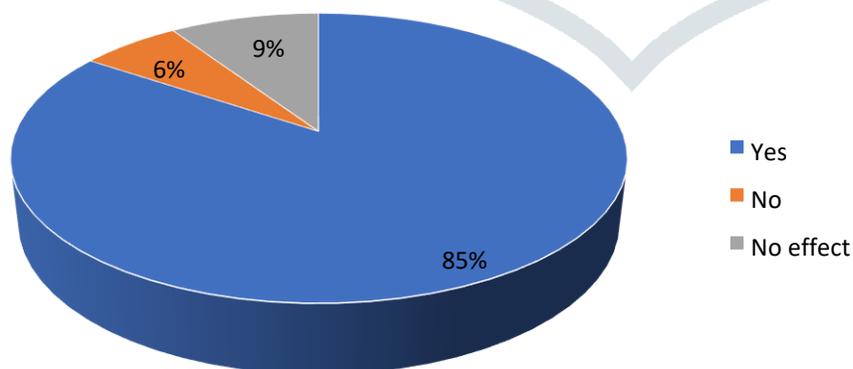


Interpretation:- Findings of Table 9 is of interesting and of significance. 70% women opined that their position in the family increased. In other words, Women have now better position in terms of decision making in the family. After included in financial inclusion programmes now they can decide which goods to consume, which products to produce etc.

10. Improved living standard

Respondent’s Opinion	No. of respondents	Percentage
Yes	27	90
No	2	6.7
No effect	3	3.3
Total	30	100

Improved living standard



Interpretation:- According to Table 10, majority of the respondents (85%) opined that their living standards have been improved. Now, they can consume more, produce more, getting better health and so on. It clearly indicates the success of financial inclusion programs and its productive benefits for the rural women. Financial inclusion significantly increased women’s income and due to increased income they achieved better financial

status. They could easily fulfill the requirements of household expenditures and needs of livelihood. Thus living standard and easier access to the several facilities of life of women have improved.

6. Conclusions: - The women respondents with whom the researcher met with said that before the financial inclusion they were unbanked and uninsured. They were experiencing high levels of monetary distress as they were subjected to a good range of monetary and health risks. This study examined whether financial inclusion promotes women empowerment on the argument that if we will empower women, it'll have a positive impact on the country's growth process. To look at the link, we conducted a survey in Satna district of where most of ladies are poor and unbanked. We found that after availing financial inclusion programs, women become economically empowered and thus this study concludes that financial inclusion promotes women's economic empowerment. Thus we conclude that financial inclusion promotes women empowerment. On the bottom that bringing women into the mainstream financial set-up will have positive impact on their efficiency which is critical for inclusive growth, this study highlighted of these issues and calling for the policy revision to create the financial inclusion programmes more conducive and more convenient.

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