

Unveiling Barriers to Women Empowerment in India: Exploring the Role of Financial Inclusion

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Financial inclusion has emerged as a top priority in India's plans for financial development and economic growth. It aims to provide affordable banking services to disadvantaged and low-income individuals. By extending financial services to marginalized sections of society, inclusive growth becomes more meaningful and just. However, women, constituting half of the population, must not be excluded from this process. Studies indicate that women account for over 70 percent of beneficiaries in the financial inclusion agenda. Self-Help Groups (SHGs) play a crucial role in including women in financial inclusion efforts and driving the financial movement in India.

This study explores the impact of SHGs on women's empowerment, discusses the challenges and Identifying strategies to strengthen women's empowerment by linking socio-economic dynamics and supplementing SHG initiatives. By examining the role and reach of SHGs, addressing key issues, and exploring effective practices, this research aims to contribute towards achieving comprehensive empowerment of women in India's inclusive growth journey.

Keywords: SHGs, education, financial inclusion, India Development, women empowerment

Introduction

Empowering women is crucial for fostering progress and advancing development. It plays a pivotal role in a country's overall progress, as it allows individuals to apprehend their full potential and exert influence across all aspects of life. Gender empowerment is an essential tool that contributes to societal well-being and prosperity. It entails achieving greater access, autonomy, and control over knowledge, resources, and decision-making, liberating women from societal constraints imposed by customs, beliefs, and practices. Women face inequities and vulnerabilities in various sectors, including the economic, social, political, educational, healthcare, and legal domains. They experience oppression in multiple spheres. To challenge socially constructed gender biases, women must be empowered in every facet of life. It requires resilience and determination to overcome obstacles. The process of empowerment is fueled by awareness, education, inclusive growth, and development.

SHGs (Self Help Groups) contribute to financial inclusion by providing banking services to marginalized women at affordable costs. They emphasize the importance of including women in the financial inclusion agenda, as excluding them hinders the development process and outcomes. Studies show that a significant proportion of recipients of financial inclusion initiatives are women. The impact of SHGs on women's empowerment, focusing on their capability and confidence-building efforts. It highlights shared experiences and efforts that have resulted in positive outcomes for women and their communities. The authors also discuss the broader concept of "inclusive growth" and its connection to empowering women in both personal and societal realms. This chapter aims to analyze the impact and scope of SHGs in empowering women, explore the connections between socio-economic crescendos and women's enablement, and identify policies and performs that can enhance SHG initiatives to achieve holistic empowerment of women. It provides valuable insights into how SHGs contribute to financial inclusion and women's empowerment in India. It sheds light on the challenges, initiatives, and potential strategies for achieving inclusive growth and empowering women through financial inclusion (Shetty, S. S., Basil, H. V., & Rao, R. (2015).

The impact of collaborative efforts involving multiple stakeholders in promoting women's empowerment and entrepreneurship in Kerala. Published in the journal Administrative Sciences in 2021, the article explores specific initiatives and strategies implemented in Kerala to enhance women's agency and access to resources through multi-actor engagement. In this study the authors analyze the outcomes of these initiatives, focusing on how they contribute to women's empowerment and socio-economic development. They highlight the importance of collaboration between government agencies, NGOs, and community groups in creating an enabling environment for women's entrepreneurship. The article also addresses the challenges and opportunities associated with multi-actor engagement in this context. In addition, he emphasizes the significance of Multi-actor participation in promoting the empowerment and entrepreneurship of women. By showcasing the experiences and outcomes in Kerala, it provides valuable insights into the role of collaborative efforts in promoting positive socio-economic change for women. It contributes to the understanding of effective strategies for advancing women's empowerment and free enterprise in similar contexts (Venu, M. P. K. et al (2015)

Education plays a crucial role, acting as promoter for Improvement in society and increasing the revenues on investment in various development efforts (Bharti, 2015). It is recognized as an effective means to achieve the targets set under Justifiable Development Goal 4, which emphasizes comprehensive, equitable, and quality education, as well as lifetime knowledge opportunities for all (Sowjanya & Hans, 2019).

Education is crucial for empowering women and fostering their wealth, progress, and welfare. It is a key factor in promoting the financial inclusion of women, affecting their lives as homemakers, labors, and nation-builders (Serrao, etal 2012). Recognizing the centrality of women's empowerment, this paper explores strategies to overcome barriers in women's financial inclusion to achieve their complete and eloquent empowerment. Education equips women with understanding, abilities, and self-assurance, enabling them to fully contribute in the development progression. It serves as a crucial tool for attaining equality by fostering global awareness, critical thinking, practical skills, self-assurance, and self-respect. Education improves the quality of life for women and empowers their involvement in policymaking, benefiting both the social order and

family happiness. The impact of enlightening women extends across generations, influencing not only the individual but also those around her. Therefore, education acts as a catalyst in promoting gender equality and empowering women.

Study Objectives:

- Investigate the role and impact of Self-Help Groups (SHGs) on empowerment.
- Explore initiatives that establish links between socioeconomic factors and women's empowerment.

Methodology:

This study utilizes a secondary data approach, collecting information from diverse published and unpublished sources such as Records, books, magazines, and printed as well as online materials and journals.

Conceptual and Functional Architecture

The pivotal role of women in a country's development cannot be overlooked. Therefore, the significance of education in India for empowering women cannot be underestimated. Women's empowerment has faced obstacles for centuries, primarily due to the denial of simple educational opportunities (Sandhya, 2015). The empowerment of women is essential for equitable development and the realization of human rights for all. In India, financial annexation is recognized as a vital element for fostering economic progress and comprehensive development. Financial inclusion acting a pivotal role in reducing scarcity and enhancing the resilience of marginalized groups, especially women. Self-Help Groups (SHGs) serve as a distinctive financial intermediation approach, granting women access to affordable financial services that foster their independence.

Role of SHGs in Women Empowerment

Despite women constituting 48 percent of total populace, their participation in economic activities stands at only 34 percent. Achieving national development requires the inclusion of women in the mainstream (Papannavar, 2016). SHGs have played a crucial role in facilitating women's financial inclusion, especially when countryside Indian women lacked access to institutional banking. They have been instrumental in empowering economically disadvantaged

women who often remain marginalized in society. SHGs serve as a means to overcome exploitation and instill confidence in achieving economic self-reliance. The credit delivery system concluded thrift and credit groups (SHGs) offers an another to the traditional banking system. SHGs have been found to promote healthy saving habits among their members and facilitate their engagement in income-generating activities. The linkage between SHGs and banks has proven beneficial for impoverished women, enhancing their savings and enabling their participation in economic ventures.

Enabling is a multidimensional practice that enables people to realize their identity and capabilities in all aspects of life. It involves gaining access to information, resources, independence, and policymaking, which requires breaking free from societal customs, beliefs, and practices. SHGs play a significant role in raising awareness among women about ongoing development programs. They contribute to women's economic autonomy and enhancing their social standing (Radhakrishnan, 2013). For example, TATA Steel's organizational Tejashwini programs were specifically planned to uplift women's lives through SHGs, successfully enabling their economic empowerment and independence. Tejashwini now operates in 800 hamlets across Jharkhand, Odisha, and Chattisgarh. The program also offers training in various programs like chicken-rearing, pickle-making , handicrafts, and other like activities through SHGs to promote women's economic self-reliance (Economic and Political Weekly, 2014). Encouraging similar programs that foster women's economic empowerment is highly recommended.

In Kerala, self-employment opportunities through SHG ventures are supported by various financial organizations and government bodies, including the Khadi and District Rural Development Agency(DRDA), National Bank for Agriculture and Rural Development(NABARD), Kerala Financial Corporation, Village Industries Board, Department of Commerce and Industry, Women's Industrial Cooperative Societies(WICS), Kerala State Social Welfare Advisory Board., and Non-Governmental Organizations (Bineesh & James, 2015). SHGs can make practical use of available resources in sectors such as computer centers, poultry farming, cattle rearing, piggery, soap production, garment making, stitching, hand weaving, candle making, and more, depending on resource availability.

SHGs contribute to enhancing women's status as active participants, decision-makers, and beneficiaries in all aspects of life (Vinayagamoorthy and Pithadia, 2007). Access to credit for women has a transformative effect as it increases their asset ownership, purchasing power, and awareness. Research has shown that access to credit is associated with greater mobility, political participation, and involvement in significant decision-making, leading to empowerment (Hashemi & Riley, 1996).

Savings of self-help groups

Besides self-employment, financial inclusion can be measured through other indicators, such as savings. One way to assess the empowerment of women in self-help groups (SHGs) is by examining their savings capacity and actual savings. In a study conducted by Jayasheela and Hans in DK District, the savings sizes of 302 SHG members were analyzed using purposive and random sampling methods. Among these members, 81 respondents belongs to Scheduled Castes (SCs) and 54 respondents from Scheduled Tribes (ST), and 36 respondents belongs to Minorities sections, and 131 respondents from Other Backward Communities (OBCs). Most members began saving only after piecing together the group. Researchers argue that there is a set limit to savings within the group, preventing members from saving more than the predetermined monthly or weekly amount. This limitation significantly hampers the savings potential of those members capable of saving more. The study indicates that over 86% of the members on track saving only after joining the group. Among various social groups, the percentage of members who began saving after joining was notably higher for SCs and STs matched to minorities and others.

Over 90% of the categories Scheduled caste and Scheduled Tribes Members stated that they began saving only after joining Self-Help Groups (SHGs). This implies that economically and socially disadvantaged segments of society have a limited understanding of managing risk and uncertainty through savings and reducing unproductive expenses. The formation of a cohesive group has played a significant role in bringing about these changes in the lives of women, leading to transformations across various aspects of their lives (Jay Sheela and Hans, 2014).

Challenges

Women contribute equally to economic activities, often working harder than men, whether in subsistence farming or commercial ventures. They perform more tasks and spend more time on these activities compared to men. However, the lack of quality education among women creates barriers to their participation in non-farm activities, as it limits their market, business, and technical knowledge.

Empowerment and the functioning of Self-Help Groups (SHGs) face various challenges, both in terms of structure and function. Economic, social, and political identities and influence largely determine the glassy of women's empowerment inside the social hierarchy. These factors are deeply interconnected and tangled. To achieve comprehensive empowerment of women, social, economic, and political aspects that affect women's lives must effectively converge. Illiteracy, followed by ignorance, poses obstacles to achieving comprehensive growth.

Recommendations

The Reserve Bank of India (RBI) recognizes the significance of technology in overcoming credit delivery obstacles in rural regions. It has directed banks to utilize information and communications technology (ICT) to offer doorstep banking services. By incorporating biometric authentication for illiterate customers, transactions can be conducted securely, instilling confidence in the banking system. Furthermore, the RBI encourages the establishment of no-frills accounts with minimal balance requirements and nominal charges, expanding access to banking services for a wide population.

A general-purpose credit card facility has been introduced to help the impoverished and disadvantaged in rural and semi-urban areas obtain credit without difficulty. However, the success of these initiatives relies on raising awareness among women about the existing legislation designed to protect their rights. Women need to assert themselves, mobilize resources, and monitor the necessary changes. By voicing their needs and making choices, they can break obstacles to inclusive growth both within their households and in the workplace.

Conclusion

The recognition of women's importance in India's economic development dates back to the country's struggle for independence. Microfinance serves as a means to achieve economic independence for the masses, particularly marginalized individuals, especially women. Both the government and the non-governmental organizations (NGO), containing the media, should actively participate in raising awareness and addressing gender inequality in society.

It is crucial to prioritize the empowerment of women since they face challenges posed by gender customs that limit their entrée to resources and opportunities for advancement. Women's empowerment not only leads to community alteration but also contributes to the wider fight against worldwide poverty. Actual and justifiable development in India is contingent upon a positive socio-economic conversion in which men and women serve as progress partners, strengthening each other's efforts to eliminate obstacles to inclusive growth.

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