

Women Empowerment through Financial Inclusion ,with reference to Palakkad District ,Kerala

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Abstract : Empowerment for women of any nation comes from participation in the formal

financial system. It is possible to increase resource ownership and serve as a catalyst for women's economic empowerment by having access to formal financial arrangements. A bank account can give women a safe place to save their money, a dependable way to make payments, and a direct line of communication with their employers, governments, and other authorities. Opening a bank account is by no means the only aspect of financial inclusion. Savings, credits and loans, insurance, financial advice and counselling, post-office savings accounts, payments, and remittances are all included in its broad range of services. The implementation of financial inclusion initiatives at the informal level is heavily reliant on Microfinance Institutions (MFIs) and Non-Governmental Organisations (NGOs). Although the close connections between financial inclusion and personal economic well-being are widely acknowledged, there is a severe lack of data to enable scientific exploration of the gender-specific determinants and implementation barriers. Women's financial independence is intricately linked to having access to finance and using it productively. Since it serves as a gateway to using other financial products and services, having a formal bank account is seen as essential to achieving the goals of financial inclusion. Women's financial inclusion can significantly reduce the number of socio-economic vulnerabilities that cause financial distress. Women are better equipped to use economic resources wisely and benefit from economic prosperity when they have access to and use formal finance. This study mainly focus on the empowerment of women through financial inclusion with reference to Palakkad District, Kerala

Keywords: Financial Inclusion, Empowerment, Women Empowerment, Financial Independence

INTRODUCTION

People may experience financial difficulties if they do not have access to basic financial services. They may be unable to receive some payments, be forced to pay more for essential services like electricity, and be prevented from making purchases because they lack convenient ways to make payments. Financial services provide a way to store money, manage payments and cash flows, build savings, get credit, and make investments, so having access to them is crucial for both individuals

and businesses. Access like this is essential for acquiring assets and establishing financial stability. In order to improve access to markets and other information for overall empowerment, financial inclusion educates women about their rights and role in economic development. Microfinance may aid women in gaining respect and achieving more in their socially defined roles, along with their wellbeing, by assisting them in meeting their practical needs.

OBJECTIVES OF THE STUDY.

1. To measure the financial inclusion of women in Kerala
2. To study about the relationship between financial inclusion and women empowerment.

SIGNIFICANCE OF THE STUDY.

Women's financial inclusion is a crucial requirement for eradicating poverty, upholding human rights, and promoting sustainable development. Only when women are in charge of credit and savings decisions will they be able to maximise their own and their household's welfare, resulting in financial sustainability and empowerment. Women who have access to financial services are better able to make financial decisions, increase their capacity to make purchases, control their borrowing for investments, manage their income and savings, and insure against risk.

METHODOLOGY OF THE STUDY.

The study adopted secondary sources of data. Secondary data was collected from the review of different related works of literature, the internet, and journals.

REVIEW OF LITERATURE

P.P. Deka, (2015) in his article stated that financial inclusion is the extension of banking or financial administrations at a reasonable expense for an enormous section of society's distraught gatherings, determined to give them a financial pad for food just as social empowerment.

In, Asli Demircug-Kunt and Leora Klapper work (2012) –They have analysed that the primary appraisal of the Global Financial Inclusion (Global Findex) Database, another arrangement of measurements that actions how grown-ups in 148 economies save, get, make payments, and oversee hazard, is presented in this paper.

Pratisha Padmasri Deka's (2015):The importance of women's financial inclusion, as well as the unique financial needs of women relative to men's, are discussed in the article titled "Financial Literacy and Financial Inclusion for Women Empowerment: The study demonstrates how financial inclusion and financial literacy can empower women.

Arun, T. & Rajalaxmi, R.(2015) [2] 'Financial inclusion: Policies and practices' in IIMB Management Review has discussed the regional and global policies and practices in financial inclusion – the development tool and also a key policy priority of most Governments of the world. Tanti et al (2021). women entrepreneurs have attracted a good quantity of attention due to the huge impact they need on the economy of each nation, particularly in their ability to form jobs for themselves and others, alleviate poverty, and be elementary drivers of economic growth and development

OVERVIEW

HISTORY OF FINANCIAL INCLUSION IN INDIA

One pivotal indication of inclusive growth is financial inclusion, according to experts. The Indian government has therefore prioritised financial inclusion in recent years. Having a current or savings account with any bank is the fundamental idea behind financial inclusion in a nation like India. But in fact, it also includes insurance, loans, and many other things. The phrase "financial inclusion" was first used in India in 2005, and K.C. Chakrabarty, the chairman of Indian Bank, did so as part of a pilot project in the UT of Pondicherry. The goal of financial inclusion is to make banking and financial services accessible to everyone in an affordable, fair, transparent, and equitable manner. The current study is reliant on secondary information. In India, there has long been an effort made to integrate the economically marginalised sections of society into the legal financial system. The RBI first proposed the idea in 2005, and branchless banking through banking representatives known as Bank Mitra (Business Correspondent) was launched in 2006. The "Swabhimaan" campaign, which sought to provide banking services to more than 74,000 villages with a population of more than 2,000 (according to the 2001 census), was launched by the Indian government in 2011, giving the initiative a significant boost.

WOMEN EMPOWERMENT

The ninth five-year plan of the na

tion gave the phrase "women empowerment" more significance, and 2001 was designated as Women Empowerment Year. Women's empowerment, in general, refers to a rise in the economic, social, spiritual, and political power of women, which improves their self-esteem, decision-making ability, access to resources, capacity to learn new skills, and most importantly, a positive outlook. The UN defines women's empowerment as having five elements: a woman's sense of self-worth; her right to make decisions; her access to opportunities and resources; her ability to exert control over her life both inside and outside the home; and her capacity to shape social change to promote

greater social and economic equality. The advancement of society depends critically on the empowerment of women. When a woman is respected or treated like a regular member of society with the freedom to engage in public activities, she is empowered. Women who know their rights and are educated are more powerful. Our Constitution grants women a plethora of fundamental rights, but because rural women are largely illiterate, they are not granted any of these rights and are instead expected to care for the home and their children. Despite the fact that in a large portion of India, women are still restricted to staying within the four walls of their homes and taking care of the household, This does not imply that they cannot engage in certain activities, such as academics.

OVERVIEW ON FINANCIAL INCLUSION

The government has financial inclusion as a top priority. The goal of financial inclusion is to increase access to financial services for the nation's sizeable, previously undeserved population in order to maximize its growth potential. Additionally, it aims for a more inclusive growth by providing financing to the underprivileged in particular.

Position of households availing banking services

Households	As per Census 2001			As per Census 2011		
	Total number of households	Number of households availing banking services	Percent	Number of households availing banking services	Number	Percent
Rural	138,271,559	41,639,949	30.1	167,826,730	91,369,805	54.4
Urban	53,692,376	26,590,693	49.5	78,865,937	53,444,983	67.8
Total	191,963,935	68,230,642	35.5	246,692,667	144,814,788	58.7

Source: www.financialservices.gov.in

According to the above table, the position of households using banking services in India decreased from nearly 35.5 percent in 2001 to 58.7 percent in 2011, meaning that 41.3 percent of Indians did not use banking services. This difference reflects the fact that 64.5 percent of the population did not have access to formal financial services in 2001. One can see that the percentage of households using banking services in rural areas increased from 30.1% in Census 2001 to 54.4% in Census 2011, while the percentage in urban areas, which made up 58.7% of the population in 2001, increased from 49.5 to 67.8% in Census 2011.

Position of Households availing Banking Services in Kerala

KERALA	Total/ Rural/ Urban	Total number of households	Total number of households availing banking services	Percent
	Total	7,716,370	5,728,876	74.2
	Rural	4,095,674	3,024,934	73.8
	Urban	3,620,696	2,703,942	74.6

Source: www.censusindia.gov.in

The above table states that the position of households availing banking services in Kerala as per Census 2011. It can be observed that position of households availing banking services in Kerala is 74.2 per cent it means 25.7 per cent of households didn't access to banking services and in Kerala, it means 25.7 per cent of households didn't access to formal financial services. It can be observed that in the rural area number of households availing banking services in Kerala is 73.8 per cent and in Kerala.Urban areas households availing banking services is 74.6 per cent. It found that in the position households availing banking services in urban areas is more percentage than the rural level households availing banking services.

Position of Households availing Banking Services in Palakkad District

PALAKKAD	Total/ Rural/ Urban	Total number of households	Total number of households availing banking services	Percentage
	Total	141,951	114,888	80.9
	Rural	73,710	59,651	80.9
	Urban	68,241	55,237	80.9

Source: www.censusindia.gov.in

The above table states that the position of households availing banking services in Palakkad District, Kerala as per Census 2011. It can be observed that position of households availing banking services in Palakkad District is 80.9 per cent it means 19.05 per cent of households didn't access to banking services and in the District. It can be observed that in the rural area number of households availing banking services in Palakkad District is 80.9 per cent and in the rural areas households availing banking services is 80.9 per cent. It found that in the position households availing banking services in rural areas and urban areas are equal in Palakkad District, Kerala.

FINANCIAL INCLUSION INITIATIVES

- Advised all banks to open Basic Savings Bank Deposit (BSBD) accounts with minimum common facilities.
- Relaxed and simplified KYC norms to facilitate easy opening of bank accounts, especially for small accounts.
- Simplified Branch Authorization Policy, to address the issue of unevenly spread bank branches.
- Compulsory Requirement of Opening Branches in Unbanked Villages
- Opening of an intermediate brick-and-mortar structure for effective cash management, documentation, and redressal of customer grievances
- Public and private sector banks had been advised to submit a board-approved three-year Financial Inclusion Plan (FIP) starting in April 2010.
- Banks have been advised that their FIPs should be disaggregated and percolated down to the branch level.
- In June 2012, revised guidelines on Financial Literacy Centres (FLCs) Accordingly, it was advised that FLCs and all the rural branches of scheduled commercial banks should scale up financial literacy efforts through the conduct of outdoor financial literacy camps at least once a month.

RECENT MEASURES

- The present round of licensing new banks is essentially aimed at giving further fillip to financial inclusion efforts in our country.
- The RBI put out a discussion paper in August 2013 on banking structure for public comments. A view will be taken by the RBI after factoring in the comments and suggestions received from the general public.
- In this context, it needs to be mentioned that urban cooperative banks (UCBs), regional rural banks (RRBs), and local area banks (LABs) numbering 1606, 64, and 4, respectively, are, in fact, small finance banks operating in this country.

CONCLUSION

Financial exclusion is a serious concern among women. The various financial services include credit, savings, insurance, payments, and remittance facilities. The objective of financial inclusion is to extend the scope of activities of the organised financial system to include people with low incomes within its ambit. It is clear from this study that there is a need for financial inclusion to empower women. A woman's needs are closely linked to her socially defined gender roles, responsibilities, and social structures. So, the government of India is concentrating on the issue of women's empowerment through financial inclusion to bring about socio-economic change in society. Hence, it is necessary to improve financial inclusion by adopting new models for delivering and extending financial services to rural areas, particularly the large, hitherto unserved population of the country, to unlock its growth potential. So it is the duty of the government to ensure that banking services are offered to all sections of society.

SUGGESTIONS

- More women should be brought into financial services, especially homemakers, as they should also have the same rights enjoyed by their income-earning male counterparts.
- Financial literacy is high in Kerala in certain dimensions. But they are unaware of new challenges, opportunities, or threats in this sector. Action should take proper action on information availability.
- The terms and conditions of banks should be transparent, and customers should be made well aware of them. Banks should provide measures for better financial literacy among customers, especially women.
- Financial institutions should train their employees in a way that they behave with female customers in a gentle manner so that they are interested in using banking services.
- It is necessary to overcome the causes and bottlenecks of financial inclusion initiatives.
- Whenever women's are included in the formal financial system and have access to timely credit

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