

Women Centric Financial Inclusion: Need of the Hour

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ABSTRACT

Financial services can help drive development. They help people escape poverty by facilitating investments in their health, education and businesses. And they make it easier to manage financial emergencies- such as a job loss or crop failure- that can push families into destitution. Many poor people around the world lack financial services that can serve these functions, such as bank accounts and digital payments. That's why the world bank has made it a key priority to promote financial inclusion- access to and use of formal financial services. Increasing women's financial inclusion is especially important as women disproportionately experience poverty, stemming from unequal division of labour and a lack of control over economic resources.

1. Introduction

Financial inclusion is one of the most effective accelerators of economic participation by women. The United Nations' Sustainable Development Goals (SDGs) has provided a strong impetus to India's resolution of achieving gender equality. Goal 5 of the 17 Global Goals is "Achieving Gender Equality and Empowering Women and Girls" by 2030. By increasing women's access and their use of financial products and services, it will be possible to fulfill the promise of financial inclusion to advance gender equality and women empowerment, improve livelihoods and spur economic growth.

2. The global findex report on financial inclusion

- The growth in account ownership since 2011 has not benefitted all groups equally. Globally, 72 percent of men and 65 percent of women have an account, a gender gap of 7 percentage points.
- Women are also over represented among the unbanked in most economies.
- In India, 42 percent of male account owners use digital payments, while just 29 percent of female account owners do.
- Mobile phones and the internet have created new opportunities for providing financial services. Men are twice as likely as women to have access to both these technologies.

3. Empowering the nation with women-led development

Women need a safe and enabling environment which encourages their empowerment. They should be able to live without fear so that they can explore their potential and not be bound by artificial restraints. Women make up half of India's population. Thus, we need to push for affirmative policies which bring women on a level playing field with others.

4. Empowering Women

Initiatives:-

- **Sukanya Samridhi Yojana** was launched in 2015, under which small affordable deposits are made in the

bank accounts of girls, with the benefit of higher rate of interest.

- Under the **Pradhan Mantri Mudra Yojana**, the government has provided credit to small entrepreneurs without collateral. 75% of these loans have been given to women, with 9.81 crore women entrepreneurs already benefitting from them.
- Over 47 lakh SHGs have been promoted under the **National Rural Livelihood Mission (NRLM)**.
- **Rashtriya Mahila Kosh** extends micro-credit to women in the informal sector.
- **SIDBI** has been implementing two schemes for women entrepreneurs namely, **Mahila Udyam Nidhi and Mahila Vikas Nidhi**.
- **Mahila-e-haat** is an initiative to economically empower women through financial inclusion. It is a direct online digital marketing platform.
- 16.42 crore women's accounts have been opened under **Jan Dhan**.

5. Interim Budget-2019

- The budget allocation for women and child development reflects a nearly 20 percent (Rs 4856 crore) hike over 2018 with Rs 29,165 crore for 2019-20.
- Rs 174 crores have been allocated for women security and empowerment in the interim budget.
- For anganwadi Asha workers emoluments have been increased by 50%.

6. Conclusion

Financial inclusion of women needs to be universalised so that women gain a financial identity, have access to financial services such as credit sources, saving services, insurance, pension schemes aimed towards poor women, and also

availing of the transfer benefits and subsidies that are offered by the government. All financial inclusion schemes must incorporate monitoring and evaluation mechanisms to assess

gender outcomes to women and in particular to the women belonging to the marginalized and vulnerable sections.

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