

Role Of Social Women Entrepreneurs In Financial Inclusion: A Study With Special Reference To Select Women Bank

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Abstract

Women leading the BFSI sector by occupying several executive positions with high-end profiles. Whereas, a few women concentrated on financial needs in the family and it could be possible to fulfill them by making startups like women's banks. The concept is new to the entire banking industry because the bank never exhibits gender discrimination. The necessity of women's banking is displayed by the founders of women's banks after several hurdles faced by them. With all their ideology to uplift the household women discussed in this research paper. In this research paper, the researcher studied only those women's banks highlighted by news agencies in different states of India. Similarly, a few banks are not popularized due to their lack of operational failures so researchers have not disclosed and discussed them in this study.

Keywords: banking, financial services and insurance (BFSI), women bank, high-end, startup, discrimination.

Introduction

India's women leaders who are leading the BFSI sector like Arundhati Bhattacharya of former chairperson of State Bank of India, Kalpana Morparia of JP Morgan India, Renu Sud Karnad MD of HDFC, Zarin Daruwala, CEO, Standard Chartered Bank, India, etc. All the above professionals were high-end profiles in their respective fields in terms of education, research, and experience. Whereas, the founder of "Mann Deshi Mahila Sahakari Bank", and the founder of "Bank for Women" are illiterate doesn't have any credentials to promote a bank. But they struggled and succeeded in micro banking services by establishing women's banks. These banks are completely linked with self-help groups and train them in various economic activities.

Background of the Study

Women can succeed in any industry whether they are literate or illiterate. Women's banking is a different segment of the banking industry because all the operational activities leading by women. They will collect deposits from men and women but lending is restricted to men. These banks are helping rural and urban women and encouraging them to save, and training them in several productive activities like agriculture and non-agriculture.

Review of Literature

Mukherjee and Chakraborty (2012), the study revealed the role of regional rural banks (RRBs), self-help groups (SHGs), and non-banking financial companies (NBFCs) in their effective contributions to financial inclusion. They concluded that banks were not able to prepare strategies continuously to achieve financial inclusion.

Uma and Rupa (2013), attempted to study the role of SHG in financial inclusion and concluded that positive relation between SHG and financial inclusion. And another point mentioned that, after joining SHG there was a positive growth in credit availability by the banks and other microfinance institutions.

Dangi & Kumar(2013), examined the initiatives of RBI and the Government of India on the prosperity of financial inclusion in India. It has been concluded that financial inclusion shows progressive and valuable changes but sufficient provisions should be incorporated into the business model to certify that the poor are not driven away from banking.

Dr. M. Roja, Dr. C. Sujatha & Prof. V. Narayana Reddy (2018) observed that Banks adopting SHG models should, therefore,

engage themselves in capacity building and empowerment of SHGs and bring cohesiveness and a sense of purpose among SHGs.

Rajni Devi (2020) has stated that self-help groups are very supportive of women engaging in small business activities, there by family financial needs will be fulfilled, and finally, it leads to a vision of financial inclusion is inclusive growth.

Kumaraswamy & Ramkumar (2022) have studied that Bank for Women is a good model or initiative which gives inclusive growth to stakeholders particularly women who are members of Self Help Groups (SHGs).

Gap Identified

The study identified that women needed financial assistance to do micro businesses and agriculture forming and other agri-allied activities. In this study, the researcher identified that most of the bank lending takes place to men because of several unnoticed reasons. In this paper, the researcher has concentrated on practical cases to support the necessity of women's banks to fulfill their financial needs.

Objectives

1. To identify the supportive cases in practice to achieve inclusive growth of women
2. To find out the effect of gender in supporting women empowerment to establish women's bank

Methodology

The first women's bank Mann Deshi Mahila Sahakari Bank was established in 1997 by founder Chetana Sinha to help rural people and getting into productive activities thereby they can earn money to fulfill family financial needs. The second women's bank named Bharatiya Mahila Bank (BMB) has started in Mumbai, India in the year 2013 by Prime Minister Manmohan Singh, and no restriction for men to open saving accounts in this bank similar to Mann Deshi Mahila Sahakari Bank. Only these two banks in India are recognized to do banking activities by RBI. Bharatiya Mahila Bank (BMB) is established easily because it is a fully owned subsidiary of the State Bank of India (SBI) whereas the founder of Mann Deshi Mahila Sahakari Bank Chetana Sinha is not having higher degree qualifications. She is only in secondary education so she struggled to clear the formalities at RBI to get permission. To know the necessity of women's banks in Andhrapradesh, Bandhan Bank is the only source because of the major contributor to SHGs.

The research report mainly focuses on the need for women's banks in the banking sector. In this study, researchers used Bandhan Bank's female stakeholders across all categories, including farmers, support groups, micro business owners, small business owners, and households. This is a sample of respondents with her 13 branch offices covering her 10 counties in AP. Questionnaires and interview methods will be used to collect data for this study. Therefore, the sample was set at 500 (400 + 25% of 400 to eliminate error) and a convenient sampling method was used in this study. This study is analytical and based on data collected from both primary and secondary sources. In this study, we projected the secondary data as case 1 and case 2. There are eight variables used by the researcher in this study. They are Awareness of Bandhan Bank Services, Initiatives of Self-Help Groups, Initiatives of Business Correspondents, Government Schemes, Role of Small Finance Banks, Internet Banking Services, Financial Literacy, and Inclusive Growth. To determine results from the data, researchers used mean, standard deviation, and regression analysis in this study.

Analysis

Objective 1:

Case 1:

John Bibi became a social entrepreneur through her innovative work in the microfinance industry. Recognizing the gap between SHG and banking services, she founded the Women's Bank in Legungtapadu, Nellore District, Andhrapradesh. She studied only VIIIth class, and initially SHG training in this village fell into her hands. After pooling a certain amount of savings, these groups will be linked to Kovvur Andhra Bank to receive micro credits to operate their small businesses. This effort was commonly called "SHG bank linkage in Financial Inclusion", but in practice it was very slow. This strategy led to a massive response from local women to the establishment of SHG. They set up a bank and decided to start their own business. They have provided savings opportunities for school children also. Banking services for women are expanding throughout the district, with micro credit of Rs 2 million in circulation each year. This initiative has created a positive attitude among women. They are very excited about these microcredit services for career opportunities in dairy, tailoring, jute bag manufacturing, kirana shop and more. Originally started with just 10 SHGs, the effort has now grown to 800 SHGs with just

10 SHGs. New groups are first trained and then banked to receive micro credits (SHGBL). They can earn credits in the form of housing, education, tailoring, building toilets, making pickles, and more. Ultimately, the effort expanded to establish eight more Women's Banks in Nellore County, AP.

Case 2:

“Mann Desi Women Cooperative Bank” is a 25 years historical women's bank that was established under the name of “Mann Desi Mahila Bank”. This is the first digitalized women's cooperative bank. Their vision was stated that this bank will become the first place in the world as a recognized women's digital bank. When they approached RBI to get a banking license, it was rejected. The reason behind that the founders of this bank were illiterates. The president of Mann Desi Mahila cooperative bank is Chetana Sinha. The second time fifteen women approached RBI and got the license after several hurdles. The founder Chetana Sinha was motivated by Jayapralash Narayan who suggested youth must go to remote villages and work with them. In this bank, men also open savings accounts but loans are offered to only women. For the past 25 years, the bank has covered loans for around one lakh women. Now, the bank's customer strength is 1,07,000 with 25% men and 75% women customers. The observer research foundation stated that for every group of five women, one person is not involving banking services. The bank is using the BC model (Digital BC) in banking operations. Every day the digital BC will visit the village and approach customers for deposits and withdrawals. CEO of this bank Rekha Kulkarni throughout 25 years of history of this bank is helping women's empowerment in terms of running a small business, children's education, and self-occupation. The banking services reached 8.5 lakh women were benefited.

Objective 2:

Study Variables	Gender	Mean	SD	t	Sig.
Awareness of Bandhan Bank Services	Male	3.604	0.387	-0.933	0.351
	Female	3.639	0.379		
Initiatives of Self-Help Groups	Male	3.336	0.466	2.807	0.024
	Female	3.898	0.495		
Initiatives of Business Correspondents	Male	3.568	0.596	-0.491	0.624

	Female	3.597	0.620		
Government Schemes	Male	3.676	0.546	0.604	0.546
	Female	3.642	0.583		
Role of Small Finance Banks	Male	3.180	0.578	-0.433	0.665
	Female	3.204	0.567		
Internet Banking Services	Male	3.922	0.462	3.977	0.029
	Female	3.278	0.463		
Financial Literacy	Male	4.115	0.421	4.611	0.001
	Female	3.289	0.432		
Inclusive Growth	Male	3.484	0.391	2.370	0.032
	Female	3.898	0.364		

Gender is one of the important aspects that can be viewed in terms of financial inclusion. The above table shows the respondents' opinions towards study variables to their gender. To find out the significant differences that exist among the respondents to their gender towards the study variables, a t-test was performed. The result shows that four of the eight variables taken for the study have significant outcomes to gender while the remaining four do not have significant outcomes. Result denotes that initiatives of self-help groups ($t = 2.807$; $p = 0.024$), internet banking services ($t = 3.977$; $p = 0.029$), financial literacy ($t = 4.611$; $p = 0.001$) and inclusive growth ($t = 2.370$; $p = 0.032$) have significant outcome. Regarding initiatives of self-help groups, female members (mean = 3.898; SD = 0.495) significantly differ from male members (mean = 3.336; SD = 0.466), which means that female stakeholders are having positive opinions towards the initiatives of self-help groups compared to male stakeholders. That is, female members know the initiatives of self-help groups in achieving financial inclusion compared to male members. As far as Internet banking services are concerned, male members (mean = 3.922; SD = 0.462) significantly differ from female members (mean = 3.278; SD = 0.463), which means that male stakeholders are having positive opinion towards Internet banking services compared to female stakeholders. That is, male members have more awareness and knowledge about Internet banking services compared to female

members. Concerning financial literacy, male members (mean = 4.115; SD = 0.421) significantly differ from female members (mean = 3.289; SD = 0.432), which means that male stakeholders are having positive opinion towards financial literacy compared to female stakeholders. That is, male members are aware of the achievement of financial literacy by Bandhan Bank compared to female members. Regarding inclusive growth of stakeholders, male members (mean = 4.115; SD = 0.421) significantly differ from female members (mean = 3.289; SD = 0.432), which means that male stakeholders are having positive opinion towards inclusive growth compared to female stakeholders. That is, male members agree that the reachability of inclusive growth is easy to achieve compared to female members.

Findings

1. A Women's Bank is a good model or initiative to enable inclusive growth for stakeholders, especially women who are members of self-help groups (SHGs).
2. The case1 study presented here explains the successful growth of her SHG primarily through the Bank Connectivity Program. Initially, she had only one bank in the Nellore district, but later in the area, he established eight banks. This was made possible in collaboration with SHG and Women's Bank promoter John Bibi. She became a social entrepreneur in the microfinance industry.
3. The case 2 study presented in this paper is to know the necessity of women's banks across the nation. Moreover, there the gender discrepancy in the banking industry, and support them financially to uplift their earning capacity in daily life. Almost 71.2 percent of respondents are male and the remaining 28.8 percent are female. Therefore, the majority of the respondents who participated in the study are male.
4. Study observed that those male stakeholders are having positive opinions towards inclusive growth compared to female stakeholders. That is, male members agree that the reachability of inclusive growth is easy to achieve compared to female members. Moreover, irrespective of their gender, stakeholders have a positive opinion towards awareness about Bandhan bank services, initiatives of business correspondents, and government schemes, while they have a neutral opinion towards the role of small finance banks.
5. Among the respondents' point of view, self-help group improves social status, and many SHG members willing to be

part of their group continuously. SHG provides easy availability of microloans, the opening of no-frills accounts, and zero balance accounts. Further, the members of SHGs maintain harmonious relationships among themselves which leads to providing more employment opportunities. However, SHGs in the study area do not cover the maximum number of stakeholders, and also the number of SHGs in the study area has to be increased.

Suggestions

1. Based on this research study researcher observed that men suggested women's banking is required in the rural and semi-urban areas then only they will not depend on male family members in the family.
2. Women's banking is required training to run banking operations in technological ways. So that, they can handle professional women customers who are knowledgeable in banking activities.
3. Initially, the women bank can be sponsored by a public sector bank, then only the people will believe in the banking operations, later they can run the bank autonomously

Conclusion & Scope for Future Study

The success of the banking and financial services industry indicates the prosperity of the Indian financial system. The banking industry is changing the structure and pattern of financial services to the stakeholders of society. The women's bank segment is attracting rural and semi-urban women who have to struggle with financial needs there these banks are helping them to train and engage in productive activities.

All the women stakeholders in Maharashtra, Uttar Pradesh, and Madhya Pradesh are benefited from these banks. They are engaged in SHGs and link with banks for funding and training in various productive activities. There they are employed or turned as successful women entrepreneurs in micro-enterprises and small business proprietors. In this study, the researcher observed that Bandhan Bank is succeeded in microfinance activities in Andhrapradesh but the women stakeholders who participated in this study expressed that, they required a separate bank for them that can be helpful to involve more in banking activities. So, the researcher stated that the social entrepreneur can focus on the establishment of a women's bank in Andhra Pradesh.

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