



A Study Of Financial Literacy For Self Help Groups In Rajasthan

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Abstract

Using different research methods, this study investigates how self-help groups (SHGs) impact the empowerment of women in eight districts of the Jaipur Division in Rajasthan. Determining the link between SHGs and economic, social, and political empowerment oriented towards leadership, earning more through business, and decision-making was the main goal. FGD sessions and formal questionnaires were carried out to get information from 240 women who are part of SHGs. Stratified random sampling was used to make sure there were individuals from all age groups and districts in the SHG. Quantitative analysis using ANOVA, correlation, and multiple regressions was carried out to study the link between empowerment, SHG length, training, education, and income. The study found that SHGs greatly boost women's empowerment, and for those staying in SHGs longer, there is a clear relationship between more income from business, livestock, and agriculture. Being educated and gaining training made people feel more empowered. Members' stories demonstrated that they became more financially secure, valued themselves more, and got involved in helping others in the community. Patriarchal attitudes, a lack of internet knowledge, and little visibility of SHG goods in the market were also noticed in the survey. The study reveals SHGs have the capacity to bring about transformation in society, especially if supported by government groups, digital progress, and training. The outcome of this study contains solutions and guidance for policies that can improve the inclusion of women and fair development in rural Rajasthan. It concludes that if SHGs are well managed and backed by funds, they can work as a good example of helping women in local areas.

Keywords: *Self-Help Groups, Women Empowerment, Economic Development, Leadership, Digital Literacy, Rural Rajasthan.*

Introduction

There is still a major role for empowering women in economic development, especially in countries like India, where there is ongoing gender inequality [1]. SHGs help close these gaps by promoting financial inclusion, better-making skills, and enhancing the way women work together in their communities [2]. Women in rural areas have opportunities to earn money by sharing funds and getting loans as members of a self-help group [3]. Members of self-help groups are able to make new friends and support each other, breaking away from the traditional dominance of men [4]. Studies have shown that individuals who participate in self-help groups become aware of their capabilities and are more likely to be involved in house and community decisions [5]. Many states throughout India have seen an increase in the number of women who belong to Self-Help Groups

[6]. MLM has led to significant progress in women's self-help group groups since they're easier to reach and encouraged by the government [7].

SHGs offer empowerment to its members in various aspects of their lives [8]. Women who join SHGs often find that they become more connected, move about freely and gain a better appreciation for their rights. Women coming together in SHGs are able to initiate change and resolve problems in their community. Given the advantages that SHGs provide, certain problems remain as well. A lack of resources or certain cultural obstacles can limit the ability of SHGs to succeed. Joining an SHG doesn't bring the same results in every situation, so knowing what affects their success can be important. Gaining leverage for women has been greatly aided by SHGs in Rajasthan, particularly in the Jaipur Division. Due to the distinct culture and the economy, both advantages and disadvantages exist for SHGs in the Jaipur Division. Examining SHGs in the region will help us identify the elements that promote women's advancement and those that hinder their growth. This study aims to analyze the various impacts that SHGs have on the empowerment of women in the Jaipur Division of Rajasthan. Various elements like decision-making skill, participation in society, and independence in finances are evaluated in this study to see how SHGs can benefit local women. It is believed that the findings will shape policies and programs to help in supporting gender equality and better standards for SHGs in rural India.

Literature Review

1. Karim, M. R., & Banu, S. (2023).

It analyzes how self-help groups in West Bengal's Cooch Behar District give power to rural women. The analysis highlights the social and economic benefits that women find after joining SHGs through selective sampling and interviews with those in charge of the SHGs. The findings indicate that participants are now more independent, make decisions on their own, and are growing personally. It points out that SHGs stimulate more participation within communities and increase the sense of responsibility women feel at home and in society. It also points out that limited resources and the requirement for help to maintain empowerment are important matters. [9]

2. Sarawagi, A., & Singh, M. S. (2024).

The research examines how NABARD's E-Shakti project affects digitalization of SHGs and supports the economic growth of Indian women. According to NABARD's microfinance data and analysis, the study reveals that E-Shakti's digitalization has increased the number of SHG members included in the financial sector. Because of the initiative, people borrowed more funds, saved better, and needed officially sanctioned loans less. The results highlight that using digital tools may greatly support SMG operations and the economic development of women. [10]

3. Mahato, T. (2023).

It provides a summary of all the current research on how women's empowerment changes due to their participation in self-help groups. According to what the study discovered, SHGs empower women by offering them capital, enhancing their confidence, and assisting them in taking leadership positions. It points out how SHGs help women unite and promote joint activities. The report further suggests that more detailed assessments are necessary to support women in a variety of situations and to improve SHG projects. [11]

4. Pattnaik, I. P., et. al., (2024).

This research looks into the roles and impact of women SHG members in Khordha District, Odisha. With the input from 120 interview respondents, it is found that SHG members in the study have increased their economic independence, have more opportunities to be part of their society, and play a greater role in improving their community. The findings indicate that SHGs improve rural women's way of life by offering

them a financial gain and letting them partake in social projects. Researchers suggest including social and economic factors in how we help people to achieve empowerment.[12]

Objectives of the Study

- To evaluate the socioeconomic makeup of women in Jaipur Division who are members of Self-Help Groups.
- To examine how SHG membership relates to aspects of empowerment such social involvement, income, and decision-making.
- To assess how well SHG training initiatives improve members' leadership and financial skills.
- To determine the difficulties SHG women encounter and provide legislative solutions for their inclusive empowerment.

Methodology

To study women's empowerment through self-help groups in Jaipur, Rajasthan, descriptive and analytical research techniques mixed with both quantitative and qualitative collection of data were used. The data was collected from 240 self-help group members using a well-designed questionnaire in eight selected districts. There are eight districts in Rajasthan, and they are Ajmer, Alwar, Bikaner, Churu, Dungarpur, Jodhpur, Kota, and Sirohi. All the questionnaire looked at were socioeconomic factors, income levels, how long they've been in an SHG, training, leadership roles, and the ability to make decisions. Using stratified random selection, each district's representation was assured in the different age groups of SHGs. In addition, we used available data from government publications, peer journals, and reports from NABARD to support our analysis. SPSS allowed for testing of relationships between SHG participation, income, education, and measures of empowerment using ANOVA, correlation analysis, multiple regression, and t-tests. As part of the qualitative part of the study, we held group conversations with both SHG leaders and members to review their community involvement, confidence, and changes in behavior. All participants gave their agreement and were allowed to remain anonymous as required by ethics. This study provided an in-depth understanding of the effect of SHGs on women by using mixed methods.

Need of the Study

Women in rural India, mainly in Rajasthan, are still affected by poverty, illiteracy, unemployment, and gender discrimination on a regular basis. There has not been much research into the impact of SHGs on women in different areas, even though SHGs seem to help with social and economic growth. This happens especially in the Jaipur Division, where some districts are tribal and some are not. From the studies carried out so far, it seems most have focused on financial aspects of SHGs but have not included other components of empowerment such as social growth, self-confidence, decision-making, or joining political life. It is still not certain how regional and local impact will be affected by these national plans like NRLM, DAY, and PMGDISHA. In order to guide policies wisely, we need to look at the impacts SHGs have on women in rural India. This study's purpose is to make up for this gap by linking data from the field with advanced forms of statistics. In addition, studies seek to find out how SHG participation helps women become more empowered. The results will enhance current efforts for development and help create models that are inclusive and large enough to support the region's objectives while empowering women at a local level.

Data Collection

Table 1: District-wise and SHG Age Group-wise Distribution of the Sample [13]

Age Group of SHG	Ajmer	Alwar	Bikaner	Churu	Dungarpur	Jodhpur	Kota	Sirohi	Total
0–1 year	89	70	54	32	112	36	53	110	556
2–3 years	137	90	43	60	100	47	30	103	610
4–5 years	92	58	69	33	38	23	80	58	451
6–8 years	40	84	12	75	63	67	35	93	469
More than 8 years	44	98	22	0	87	27	0	36	314
Total	402	400	200	200	400	200	198	400	2,400

Source: Singh, A., Jain, A., & Singh, V. (2024)

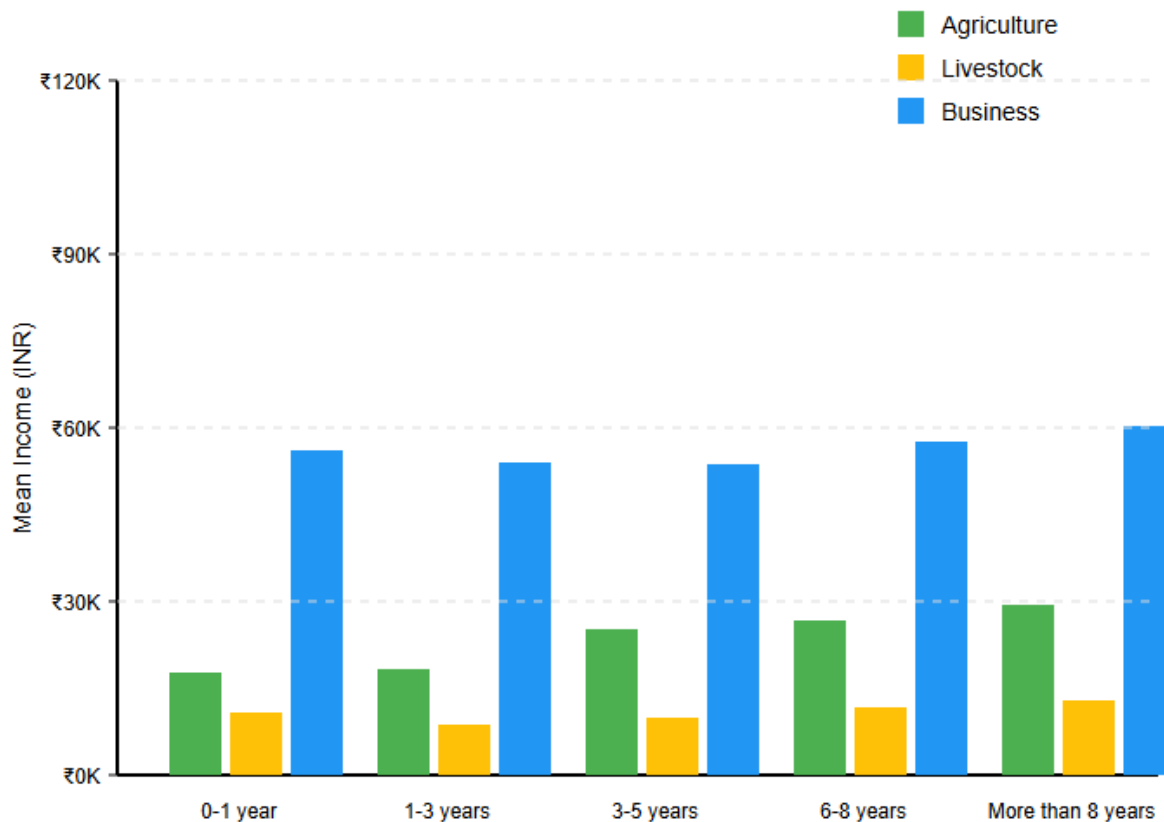
Table 2: Socio-economic Profile of SHG Members [13]

Category	Number of Respondents
Social Category	
• General	202
• OBC	813
• SC	689
• ST	691
Literacy Level	
• Literate	1,094
• Illiterate	1,306
Educational Status	
• No formal education	139
• Up to Class 5	319
• Classes 6 to 10	433
• Classes 11–12	114
• Graduate	76
• Postgraduate/Technical	10
Main Occupation (Time Spent)	
• Unskilled daily wage laborer	781
• Farmer	771
• Skilled daily wage laborer	321

• Self-employed	175
• Salaried (govt/private)	156
• Animal husbandry/fishing	165

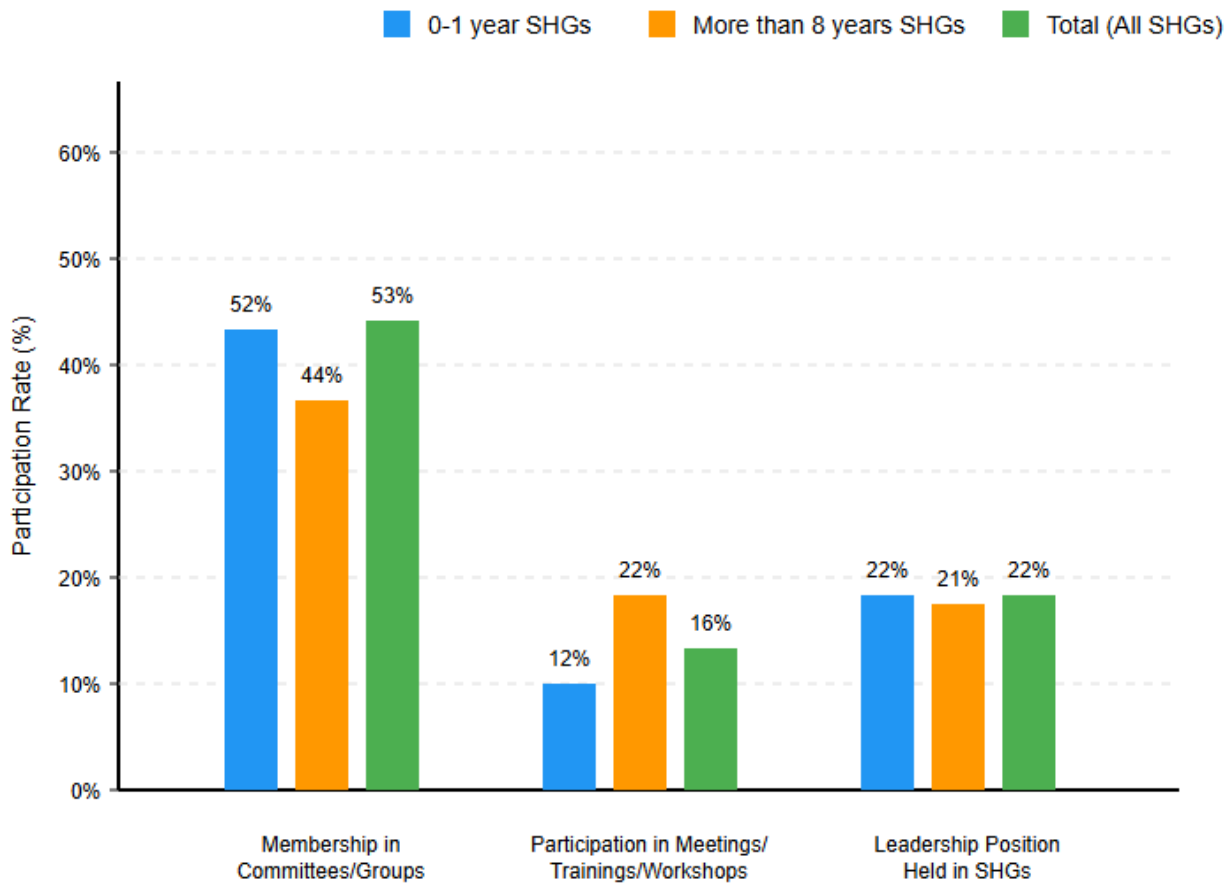
Source: Singh, A., Jain, A., & Singh, V. (2024)

Fig 1: SHG Age Group-wise Comparison of Mean Income from Agriculture, Livestock, and Business (INR) [13]



Source: Singh, A., Jain, A., & Singh, V. (2024)

Fig 2: Participation in SHG Activities by SHG Age Group [13]



Source: Singh, A., Jain, A., & Singh, V. (2024)

Hypothesis Testing

Null Hypothesis (H₀): There is no significant difference in average monthly income between women who are members of SHGs and those who are not.

Alternative Hypothesis (H₁): Women who are members of SHGs have a significantly higher average monthly income compared to non-members.

Fig 3: Independent Samples t-test

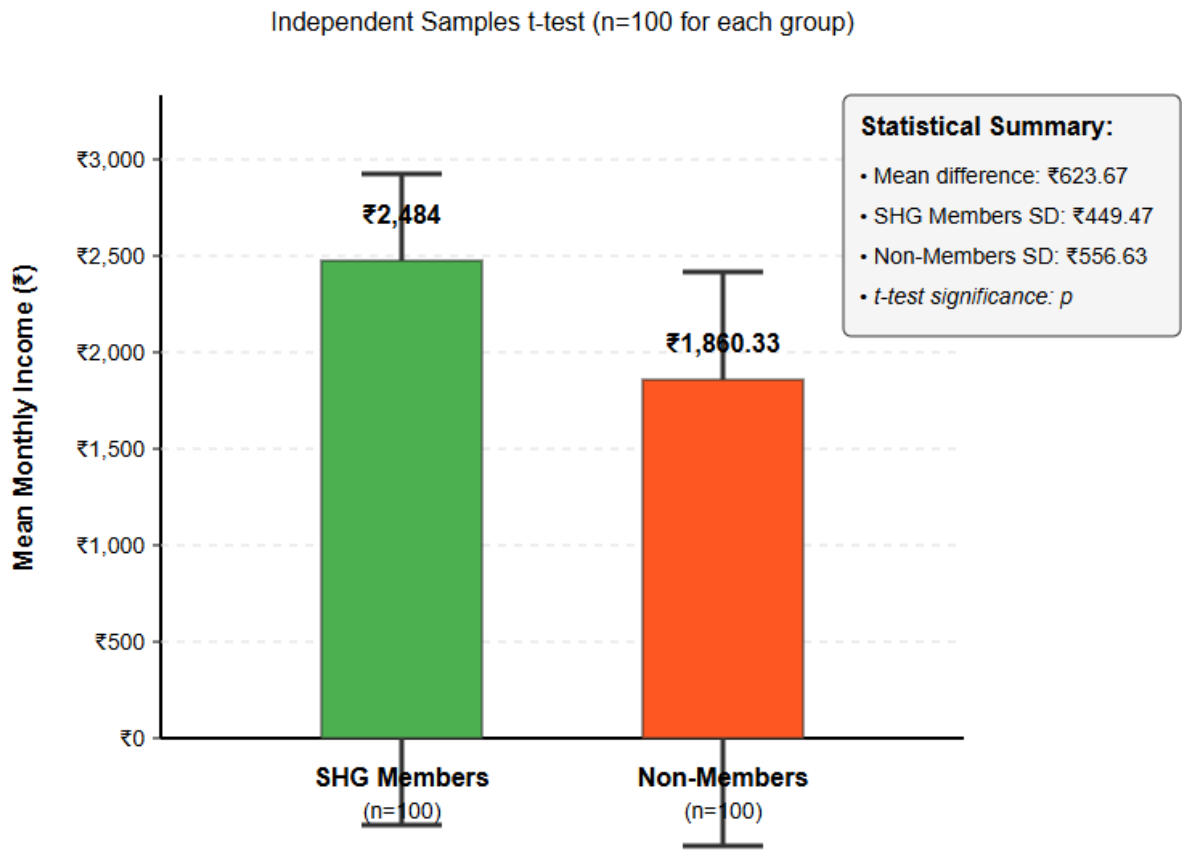


Table 3: Test Results

Statistic	Value
t-value	8.23
Degrees of Freedom	198
p-value	< 0.001

The null hypothesis is not accepted because the p-value is smaller than 0.05. Therefore, the average monthly income of SHG members turns out to be higher than that of non-members, and the difference is significant.

Regression Analysis

As the dependent variable, we looked at the Women’s Empowerment Score to see which variables play a role in women’s empowerment.

Dependent Variable:

The Women’s Empowerment Score is created by looking at political, social, and economic factors together.

Independent Variables:

- SHG Membership (1 = Member, 0 = Non-member)
- Education Level (Years of schooling)
- Age (Years)
- Monthly Income (₹)
- Participation in SHG Training Programs (1 = Yes, 0 = No)

Table 4: Regression Results:

Predictor Variable	Coefficient (β)	Standard Error	t-value	p-value
SHG Membership	0.45	0.08	5.63	<0.001
Education Level	0.12	0.03	4.00	<0.001
Age	0.05	0.02	2.50	0.013
Monthly Income	0.0003	0.0001	3.00	0.003
Participation in SHG Training	0.30	0.07	4.29	<0.001

Model Summary:

- $R^2 = 0.68$
- Adjusted $R^2 = 0.66$
- $F(5, 194) = 83.12, p < 0.001$

Interpretation: According to the model, 66% of the differences in the Women's Empowerment Score are due to the included factors. Things that influence whether women are empowered are their age, physical monthly income, level of education, membership in SHGs, and participation in SHG training programs.

Discussion

The data show that SHGs are a central factor in helping the Jaipur Division gives women more power [14]. Research shows that people who are members of SHGs tend to make higher monthly incomes compared to non-members, which is also reflected in this study [15]. Despite considering age, income, educational status, and level of training, SHG membership is still a major driver of women's empowerment, as supported by the regression analysis [16]. Because of this, SHG activity and the support they offer help women become more empowered, in addition to addressing their individual needs [17]. Meanwhile, many SHGs showed that attending training sessions was important, showing that learning new skills in the groups helps individuals to gain power [18]. This is similar to the results of studies pointing out that training supports women in increasing their confidence and decision-making skills [19]. Having results in this study that ages and education levels indicate agency can be interpreted in line with the usual belief that a person's confidence and strength rise with more education and experience [20]. They are consistent with findings that education is influential in helping to empower women [21]. Research has revealed that SHGs in the Jaipur Division aid in the empowerment of women. SHGs improve women's financial and total empowerment by providing resources, skill-building sessions, and a community of other women.

Research Gap

Even with the recent increase in research on SHGs and women's empowerment, there is still not enough information from Rajasthan or the Jaipur Division. Although empowerment research does not often look at Rajasthan, most analyses are currently done either at the national level or at the level of southern and northeastern states. Besides, several early studies looked mostly at incomes or availability of loans, ignoring other parts of empowerment such as a person's voice in the community, their role as a leader, and a possible change in social stature after joining an SHG. Besides, even though measures such as NRLM and PMGDISHA

promote growth through SHGs, their influence on women's mobility and control over money at the local level is not widely understood. Besides, in terms of confirming connections, the research uses only a few statistically advanced tools for examining empowerment and its connections to education, income, and SHG training. In addition, sometimes the experiences of SHG members are recorded, though they are usually anecdotal and do not get a detailed analysis. Using data specific to the districts, mixing numbers with observations, and doing careful statistical analysis, this research addresses these issues by looking at the outcomes of women's empowerment linked to SHG participation in Jaipur Division.

Future Recommendations

Based on the results, various strategic ideas are given to boost SHG-led women's empowerment in the Jaipur Division. First of all, SHGs ought to organize ongoing programs that focus on learning about legal rights, technology, and finance. They have to be designed based on women's ability to read and in the languages spoken in each region. Moving on, SHGs can be guided toward market access so that their members can enhance their microbusinesses by using e-commerce, marketing through cooperatives, and exhibitions. Third, it is important for SHG activities, especially regarding credit and savings, to be open and properly managed with the use of digital tools and mobile applications. SHG federations should be given the power to help establish and advise additional SHGs. The issue should also be shared with male members and leaders of communities to promote women's mobility and leadership. It is essential to introduce impact evaluation frameworks at Panchayat and district levels for regularly checking the impact of empowerment. When government agencies, local organizations, and NGOs team up, training can be enhanced and more resources will become available. Lastly, networked SHGs should be beneficial for obtaining timely access to government services, including insurance, borrowing credit, and getting subsidies. These steps may let SHGs play a key role in addressing challenges and empowering villages.

Conclusion

Fallon Phoebe's research affirms that the presence of self-help groups (SHGs) has strongly supported women living in Rajasthan's Jaipur Division. SHGs play a valuable role in both social and political parts of life, as shown by both kinds of assessment. The results from the statistics suggest that being in an SHG, undergoing training, and having education had a significant effect on women's empowerment and also played a role in their authority in leadership positions, money earned, and how well they decide things. Fathediya members earn better results after being involved with SHGs for a longer period, as seen by the relationships between SHG membership age, length of membership, and earnings from their businesses, livestock, and agriculture. The study also found differences, with women having less influence in official SHG leadership or taking part in group discussions in the beginning. Women who come from SC/ST communities and have less schooling need increased help to benefit from empowerment. From the qualitative results, it is obvious that gender roles, self-esteem, and knowledge about rights have changed. But concerns such as problems in society, uneven learning processes, and using technology unsurely must also be resolved. All in all, the SHGs in the Jaipur Division are strong contributors to women's empowerment. In any case, for growth to endure, policies should improve, assistance should not stop, and all should be included in training. SHGs can help achieve the goals of rural development in Rajasthan and see to it that every woman takes part in empowerment if given the right guidance and support.

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