

Financial Inclusion of Women Through Stree Shakti Group with Special Reference to Kanakapura Taluk-A Study

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ABSTRACT

This study explores the women empowerment a pivotal role in enhancing the savings through Stree Shakti Groups. Stree Shakti Groups are indispensable for empowering rural women to improve their livelihoods regarding education, employment, and health care. After perusing the published results of these studies (in the form of scholarly articles, books, reports, etc.), the researcher acquired a deeper understanding of the issue and proceeded to identify, evaluate, and assess the need for additional research. There are numerous references to previous research, some at the state level, some at the national level, and others at the international level. Because of this, they may be referred to as the "Information Processor" or "Information guide" for your investigation.

The state government of Karnataka and the central government of India have implemented several programs to combat poverty, unemployment, and illiteracy in the area. Both administrations place women at the forefront of their development objectives and employ various strategies to ensure their privileged status. As a result of "Stree Shakti Groups," women now have a secure space to gather and tap into their inner strength, allowing them to become stronger individuals better equipped to face the challenges of the modern world.

Key words: Empowerment, Economic development, independence, women, national income.

INTRODUCTION

Women constitute approximately fifty percent of India's population. Women's labor force participation is essential to the economy and the welfare of society. As in the rest of India, misogyny is pervasive in rural areas of India. This is anticipated given that only 587.5% of rural Indian women can read and write. This means that 41.25 percent of rural women do not have any formal training. The majority of women in rural India are also affected by "information poverty," a form of material deprivation. Women in rural communities of India play a crucial role in the nation's commerce. As a result, Stree Shakti Groups have become a potent instrument for empowering millions of disadvantaged women in rural India. The government of Karnataka founded Stree Shakti Groups in 2000–01 to empower and educate women. These organizations were influenced by the concepts of self-help groups. Anganwadi workers in the countryside coordinate these groups to teach villagers how to save money and give them a fighting chance against predatory lenders. These organizations are crucial to the development of the first generation of microentrepreneurs, who owe them a great deal for their eventual success.

Meaning of Stree Shakti Sangha [SSGs]

At most, twenty people reside in this close-knit community of low-income rural residents. Such communities both model and promote a genuinely democratic culture in which every resident has a voice in policymaking. The group admits impulsive new members and conducts regular meetings to promote saving and frugality (where "savings" refers to the accumulation of excess money and "thrift" refers to the accumulation of savings through the postponement of virtually essential spending). Regularly, all participants contribute to a communal savings account known as the "Group Common Fund (GCF)." In addition to member contributions, non-governmental organizations (NGOs), the SHG's promoter, the government for various initiatives, and member penalties all contribute to the aggregate fund.

Features of Stree Shakti Group:

Some of the essential features of Stree Shakti Groups are:-

- Open and Voluntary membership
- Democratic form of administration
- Savings first – credit later motto
- Regular meetings and participatory decision-making
- Complete autonomy and independence of operation • Non-political
- Rotation of group leadership amongst each member
- Group liability (Joint liability) for loans borrowed from a financial institution
- Each for all and all for each philosophy
- Education, training, and skill-up gradation.

Objectives of Stree Shakti Groups

- To promote societal transformations and strengthen rural women's economic development.
- The mission of Stree Shakti Groups is to assist women financially by facilitating access to and administration of more resources through economy and credit.
- To equip rural women with the resources necessary to enhance their economic standing by engaging in income-generating activities and securing stable employment.
- Improving women's access to credit finance requires consolidating the efforts of numerous government agencies and financial institutions.
- To ensure that all women in the region know the significance of Stree Shakti Group to their development and independence.

Objectives of the study:

1. To analyse and compare the savings and income of Stree Shakti Group members in Kanakapura Taluk.
2. To find out the benefits derived by the Stree Shakti Group members in Kanakapura Taluk.

Review of Literature

1. **Mohiuddin et al. (1996)** revealed that each group averaged 15 to 20 individuals. They were identical regarding social standing, financial security, and mobility. Every day, each group set aside one rupee. Members agreed on the payments, interest, and penalty rates for delinquent dues-payers. Approximately 63% of the groups were determined to be prospering, 26% to be correctly functioning, and 11% to be dormant.
2. **Ruhul Amin et al. (1996a)**, women who participate in the credit program are more likely to use contraceptives to limit their family size than women who do not participate in the credit program or live outside of credit program areas. As a result of their exposure to group solidarity, increased mobility, and education on various birth control methods, women who participate in credit programs acquire economic security, freedom of movement, and self-assurance. Women's credit programs encourage them to leave home, increasing their possibilities of making new friends and having new experiences.

3. **Datta and Raman (2000)** noted that the social and economic diversity of SHGs characterizes them. Repayment rates are high in SHGs because members leverage their existing networks of peers and family to solve problems collectively. In addition to members' diverse expertise, experience, occupations, and financial resources, the dynamic incentive structure of progressive lending to the groups after successful loan repayment also contributes to the cohesion of the groups. However, SHG lending activities rely significantly on international financial institutions.
4. **Laxmi R. Kulashrestha (2001)**, one of the primary obstacles to rural women's development is a scarcity of financial resources. According to him, the need for more gender-disaggregated banking data and the absence of women in credit analysis is the greatest obstacle to implementing a comprehensive, effective credit program for women. He reasoned that until the people, particularly rural women, came up with socio-economic development, any aspirations of improving our economy were unrealistic.
5. **Dasgupta (2001)** enumerated the numerous advantages of micro-financing. These included (i) The accumulation of funds from individuals with modest incomes. (ii) The provision of adequate credit to the impoverished, (iii) establishing an equitable playing field for lenders by balancing the supply and demand for credit; (iv) Lightening the financial load of creditors and debtors.

RESEARCH METHODOLOGY

Research Method: Primary sources, Secondary sources and Case based approach were adopted.

Sampling Method and Sampling Size: Purposive sampling is utilized due to its applicability and simplicity of implementation.

The rural density of the district is 75.27%. Kanakapura Taluk has maximum number of villages in the district and accommodates more population along with higher female population. These Villages have good number of 'Stree Shakti Groups', functioning and creating women empowerment.

Sample size: Using Slovin's formula, the appropriate sample size was determined. Cochran (1977) presents the following method for calculating the sample size when working with a finite population and straightforward random sampling with replacement.

. n=	n ₀
	1 + n ₀ / N

Where $n_0 = Z^2 P (1-P)/e^2$

Selection of the Study Area: Ramanagara district has been selected for carrying out the research. While selecting so, District Human Development Report 2014, published by Planning, Programme Monitoring and Statistics Department, Government of Karnataka has been referred. According to the report, Ramanagara is ranked 13th place, out of 30 Districts of the state, with a HDI value of 0.533 on zero to one scale. Out of four talukas, Kanakapura Taluk is placed at 95th place and Ramanagara Taluk is placed at 13th place.

Survey Instrument: A questionnaire sample was developed. When necessary, new terminology was introduced, and ideas were debated and refined. To facilitate the new order, some of the queries will need to be rearranged. Several queries that appeared unnecessary were eliminated. Therefore, we added some additional terms.

Sampling technique: Gram panchayats and villages of respondents were selected using a cluster sampling technique. Participatory Rural Appraisal is a method that enables rural residents to collaborate on planning and action.

Data Collection

Primary Data

- (a) **Direct Personal Interview:** Visits to rural regions by SSG members provided the essential data used to confirm the advantages for all parties.

- (b) **Personal observation Method:** How Stree Skati Groups played role in improving the social and economic life of the group members and asset ownership after joining the group has been ascertained using this method.
- (c) **Questionnaire:** A detailed questionnaire was drafted for the purpose of procuring primary data.
- (d) **Schedule method:** Since, Questionnaire was in English and many respondents were not comfortable in understanding and answering questionnaire on their own, Schedule method was followed to record their answers.

Secondary data

The required information was collected from various statistical and information departments of government, NABARDs SHG Wing, National Rural Livelihood Mission, Department of Panchayat Raj and Revenue, Government of Karnataka, Articles (International and National Journals), published reports, previous research studies, other relevant websites etc.

Statistical Tools: Analysis of the data is divided into two parts (a) Descriptive Data (b) Inferential Data.

Analysis & interpretation of Data

Monthly income of the respondents – before joining Stree Shakti Group in Kanakapura Taluk

Table No: 1

Income group	<2500	2501-5000	5001-7500	7501-10000	>10000	Total
Number of Respondents	37	41	15	3	4	100

Source: Primary Data

Monthly income of the respondents – after joining Stree Shakti Group in Kanakapura Taluk

Table No: 2

Income group	<2500	2501-5000	5001-7500	7501-10000	>10000	Total
Number of Respondents	10	14	31	29	16	100

Source: Primary Data

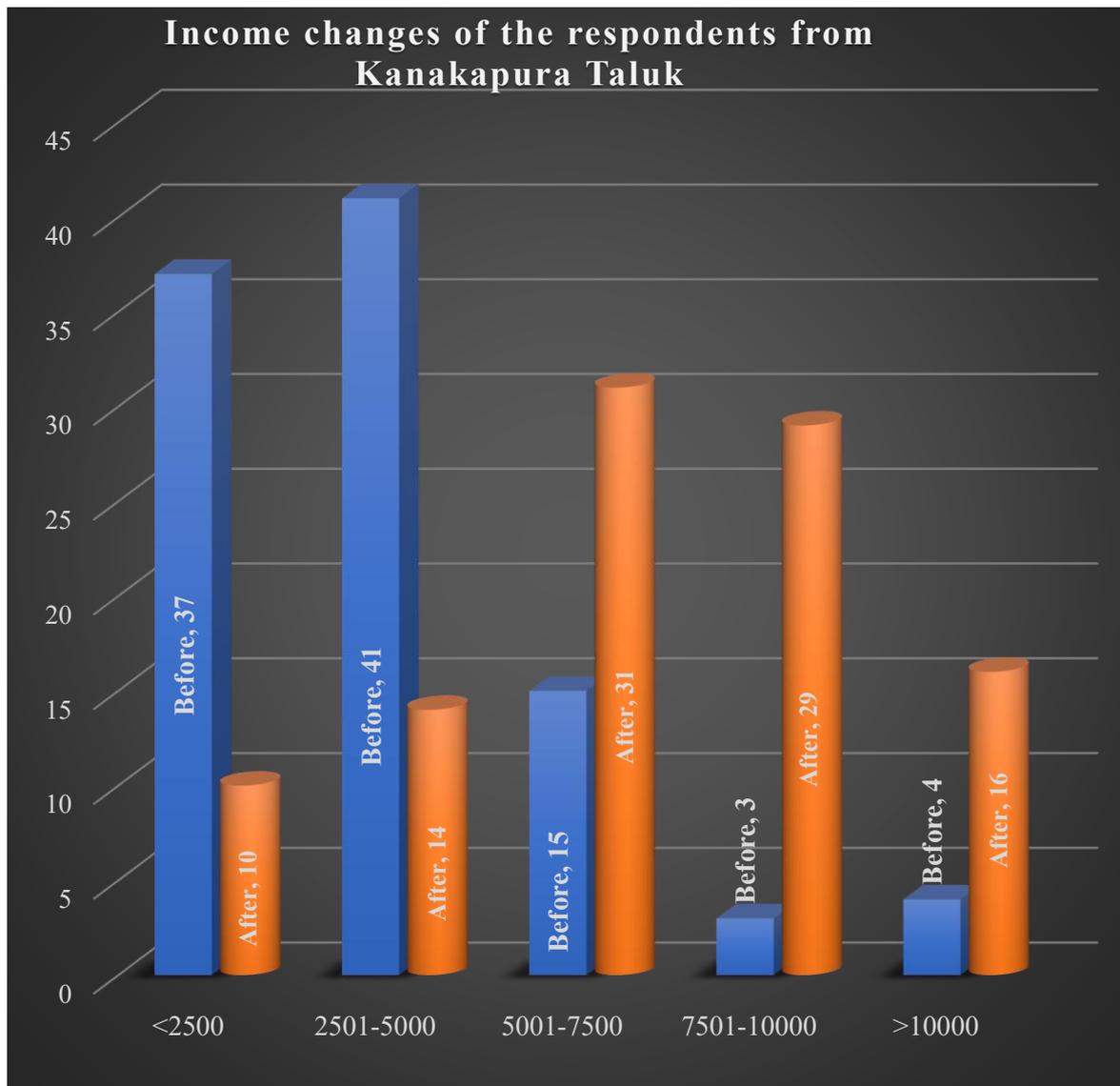
Comparison of Monthly income of the respondents before and after joining Stree Shakti Sangha(SSG)

Table: 3

Income group	<2500	2501-5000	5001-7500	7501-10000	>10000	Total
Before	37	41	15	3	4	100
After	10	14	31	29	16	100
Percentage Change	27	34.14	206.67	967	400	

Source: Primary Data

Graph: 1



Analysis:

It is evident from the table that the income earning capacity of the respondents from Kanakapura Taluk has shown significant improvement after joining Stree Shakti Group. As observed from the table, respondents in the income bracket of less than Rs. 2,500 per month graduated to a high income level. In Kanakapura Taluk, 37 respondents had reported having a monthly income of less than Rs. 2,500 before joining the group. After joining the group, only 10 respondents replied that their monthly income is still less than Rs. 2,500, recording a staggering fall of 27%. Similar is the case with 41 respondents, who had reported that their monthly income was in the class interval of Rs. 2,500 to Rs. 5,000 before joining the group. Most of their monthly income also has changed after taking SSG membership, and now only 14 respondents out of 100 have replied that their monthly income is still in the class interval of Rs. 2,500 to Rs. 5,000, recording a fall of 34%. What is more fascinating to notice is that there were only 15 respondents who earlier had reported a monthly income of Rs. 5,000 to Rs. 7,500. After joining the group, 31 respondents from Kanakapura Taluk reported their monthly income in the class interval of Rs. 5,000 to Rs. 7,500, recording a whopping 207 % growth. In the field study, it was observed that 3 respondents from Kanakapura Taluk had reported having an income of Rs. 7500 to Rs. 10,000 before joining the group. Around 29 respondents had reported having an income base of Rs. 7,500 to Rs. 10,000 after joining the group, registering a remarkable growth of 967 %. Similar is the case with respondents reporting a monthly income of Rs. 10,000 or more. Earlier, only 4 respondents had reported this monthly income level, and now 16 respondents have reported a rise in their income level of more than Rs. 10,000 per month, making it a 400 % increase. All this reflects that the income level of the respondents from Kanakapura Taluk has seen tremendous growth after joining Stree Shakti Group. The group has played a considerable role in enhancing the monthly income level of the respondents.

To test the income changes of the respondents before and after joining the Stree Shakti group, a Paired T statistical test has been performed, and for this,

Null Hypothesis: There is no significant difference in the Income-earning capability of the respondents before and after joining the Stree Shakti Group, i.e., $\mu=0$

Alternative Hypothesis: There is a significant difference in the Income-earning capability of the respondents before and after joining the Stree Shakti Group, i.e., $\mu \neq 0$

Has been formulated, and the results are as follows:

T-Test: Two-Sample Assuming Unequal Variances		
Table: 4		
	Before	After
Sample Size	100	100
Mean	20	20
Standard Deviation	18.02	9.40
Variance	325	88.5
Observations	5	5
Standard Error (Standard Deviation/ \sqrt{n})	8.08	4.21
Hypothesized Mean Difference	0	
D.f (n1+n2 - 2)	8	
t Stat (Mean/Standard Error)	2.47	
P(T<=t) one-tail	0.5	
t Critical one-tail	1.94	
P(T<=t) two-tail	1	
t Critical two-tail	2.44	

Analysis:

As evident from the above table, there is a significant difference in the variance of two population means. A paired T-test with two samples assuming unequal variances being performed resulted in the P value being 1, which means that there is only a 1 percent chance to believe that variances before joining SSG and income levels after joining SSG are similar. However, the T Calculated value, the ratio between the mean value and standard error, is more than the T Critical value, meaning that the ‘T’ Calculated value falls under the critical or rejection region. Therefore, we fail to accept the null hypothesis. **Therefore, the Null Hypothesis is rejected, and the alternative hypothesis is accepted, which states that $\mu \neq 0$. This means there is a significant improvement in the income level of the respondents after joining SSG in Kanakapura Taluk at a 95% Confidence Interval with a 5% Significance Level.**

CONCLUSION

The Stree Shakti Group has played a pivotal role in enhancing the saving capabilities of its women members. Through collective effort, financial education, and a community support system, members have not only

improved their savings but have also been uplifted socio-economically. Continued support and evolution of the group's initiatives will further solidify its impact on women's financial empowerment.

Saving is an integral part of Stree Shakti Group's functioning. The Stree Shakti Group's model emphasizes collective savings. Women pool in a certain amount of money regularly, which is then rotated among members or invested for a collective benefit. This encourages consistent savings habits and financial discipline. Apart from increased savings, other financial benefits derived from being a member of the group. Through the financial literacy programs, many women reported being more conscious of their spending habits, leading to a reduction in frivolous or unnecessary expenditures, and an increase in savings.

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