A STUDY OF FINANCIAL LITERACY AND ITS IMPACT ON SHGs (SAPOTRA BLOCK, KARAULI DISTRICT, RAJASTHAN)

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INTRODUCTION

Financial literacy is a process that promotes financial inclusion through which an individual develops an understanding and skills in utilizing, spending, and saving money as well as enhancing his or her ability in decision-making for using financial resources. Financial literacy is a conglomeration of awareness, knowledge, skills, and behavior toward financial well-being resulting in ultimate financial stability. It not only inculcates one’s knowledge but also focuses on financial inclusion by educating various segments of society.

This study shows various aspects like how people of rural areas are financially independent, using their money and the awareness about their finances which ultimately leads to an increase the financial literacy in rural areas and better utilization of their funds.

LITERATURE REVIEW

1) (Garima Baluja 2016) Financial literacy interventions by the Indian government are explained together with the elements affecting women's financial literacy in India, according to a study that was conducted on this topic. The study concentrated on secondary data. According to the article, women's financial literacy in India is influenced by several variables, including a lack of women-centric financial initiatives, access to financial services, a lack of basic education, and a lack of independence. The Indian government has taken several steps to close this gap by implementing programs like the Pradhan Mantri Jan Dan Yojana and the National Centre for Financial Education, among others, to increase people's awareness of financial literacy.

2) Thanvi Sebastian et al., (2016) In the Keralan district of Ernakulum, a study was conducted on financial literacy among professional women. The study's goals are to determine the degree of financial literacy, comprehend the most popular and preferred investment instruments, examine the level of financial literacy among those who consider themselves to have a high level of financial literacy, and determine whether they seek professional assistance for financial planning

CONT.

3) Shobha and Shalini (2015) conducted a poll in the city of Bengaluru to find out how women there felt about personal financial planning. According to the report, Indian women prioritize their families and their children's needs over their financial demands and individualistic financial security.

4) Priyanka et.al. (2015) In their study, the authors concluded that literacy is a crucial measure of growth. People are more educated today, but just being literate is insufficient. Financial literacy is now a crucial skill to have. People with financial literacy are better equipped to navigate the financial world, make wise investment decisions, and reduce their risk of being duped.

RESEARCH QUESTIONS

HOW MANY SHGS HAVE THEIR ACCOUNT LINKED WITH BANKS?

HOW MANY SHGS TOOK LOANS FROM BANKS?

HOW MANY SHGS FREQUENTLY TOOK LOANS FROM BANKS IN A YEAR?

OBJECTIVES

To evaluate the SHG’s financial status in Rajasthan's Sapotra block of karauli district.

To learn how familiar SHGs are with different banks and how often they take loans.

METHODOLOGY

Study design-
Descriptive Study design.

Sampling Technique-
Simple random sampling.

Study area-
This study was conducted in rural area of Sapotra block of karauli district, Rajasthan.

Primary research tools used in the field-

- Interviews
- Focus group discussions.

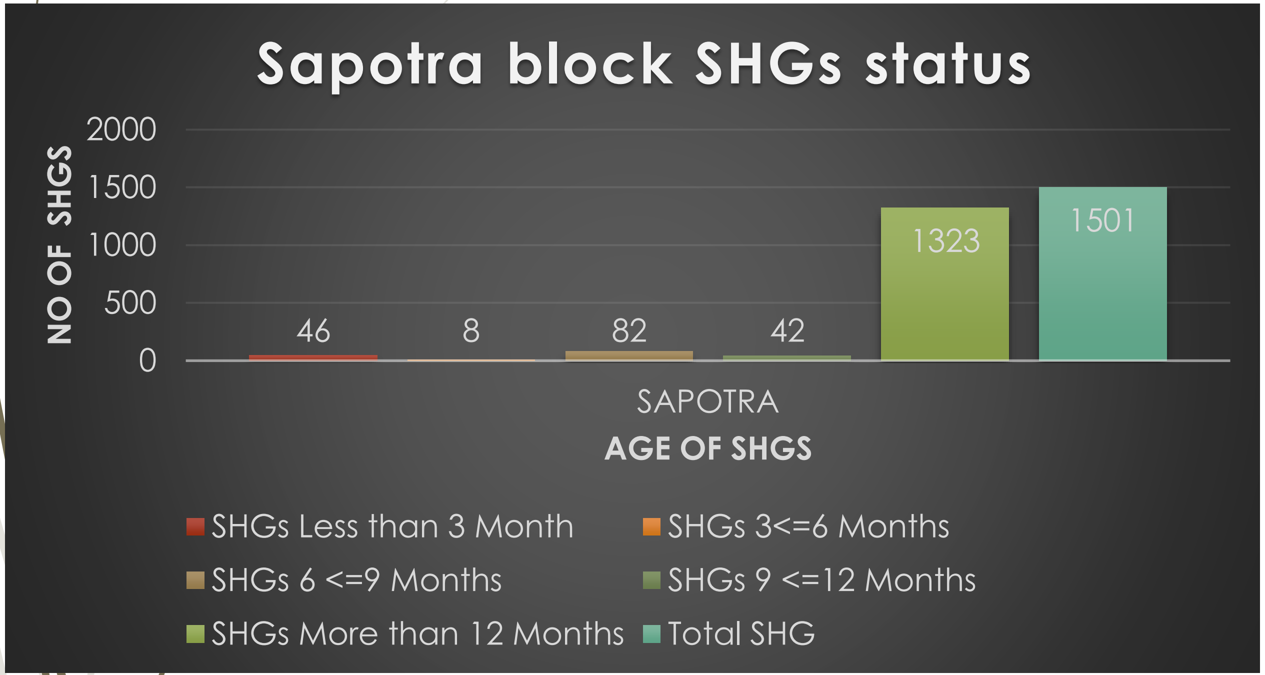
Secondary research-

- Literature review
- Organizations report.

Data Collection Method-
The stakeholder interviewed through a questionnaire face to face interviews will be used complete the Questionnaire Qualitative and quantitative data need for the study Members Survey.

Sampling size- 1501 SHGs

DATA ANALYSIS AND FINDINGS



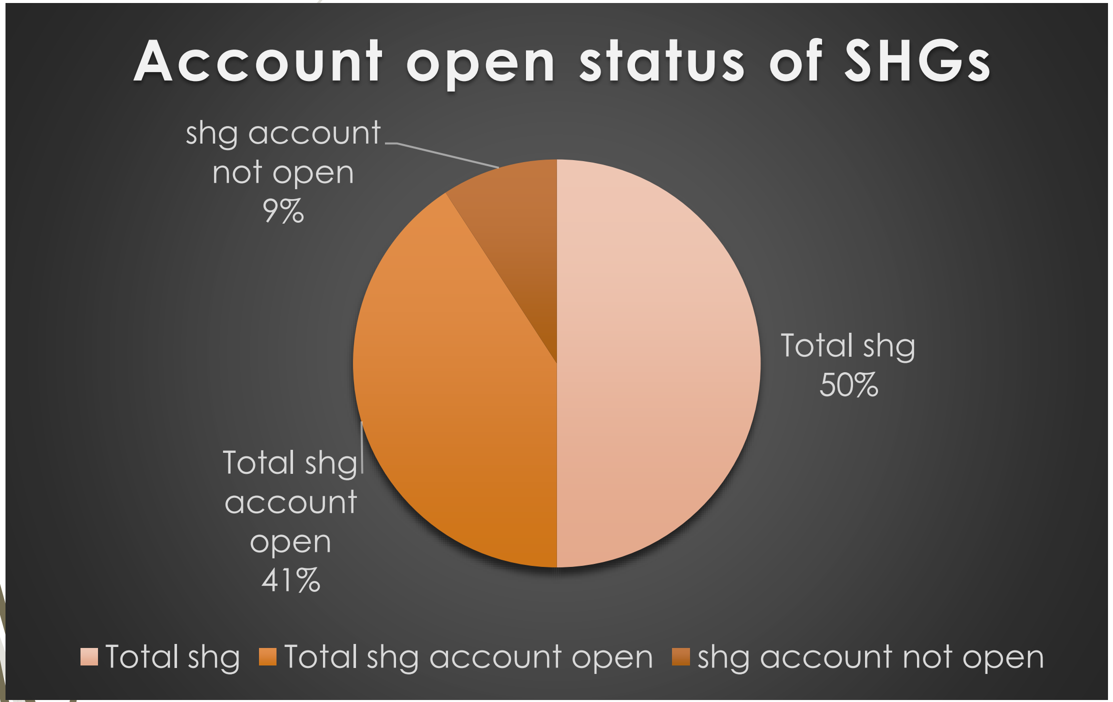
SHGs Less than 3 Month	SHGs 3<=6 Months	SHGs 6 <=9 Months	SHGs 9 <=12 Months	SHGs More than 12 Months	Total SHG
46	8	82	42	1323	1501

Note:- The present study is focused on knowing the level of financial literacy among the self-help group members in Karauli district, Sapotra block, Rajasthan. There are 8 blocks in the karauli district.

CONT.

Account opened and not opened status of SHGs in a block.

Table and graphical presentation-

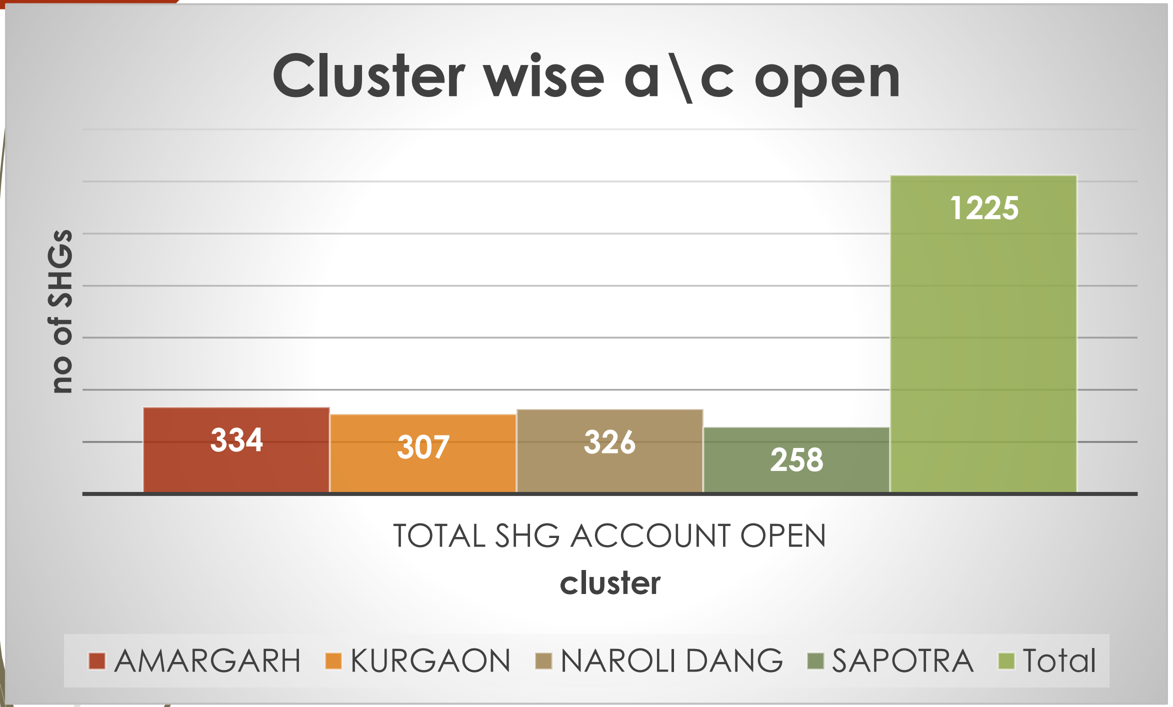


Total SHG	Total SHG account open	SHG account not open
1501	1225	276

Interpretation:-

In this table we can see that total no of accounts opened is 1225 and not opened is 276, and total no of shg is 1501.

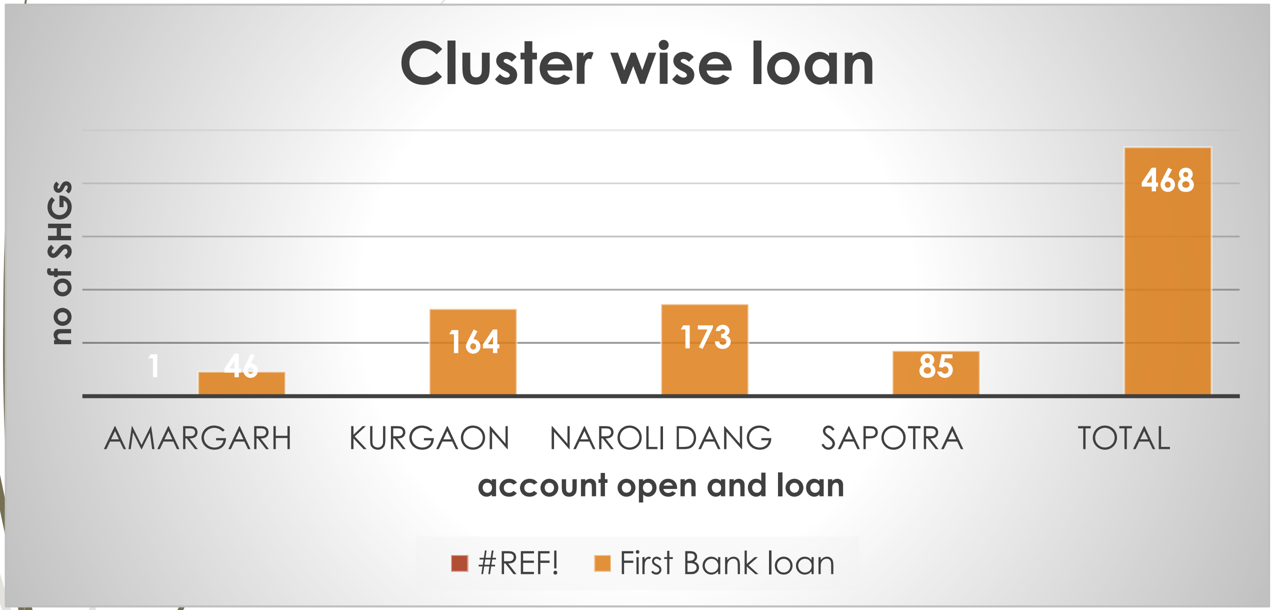
CONT



Cluster	Total Shg account open
AMARGARH	334
KURGAON	307
NAROLI DANG	326
SAPOTRA	258
Total	1225

- This table and graphical information provide the total number of Self-Help Group (SHG) accounts opened in different clusters.

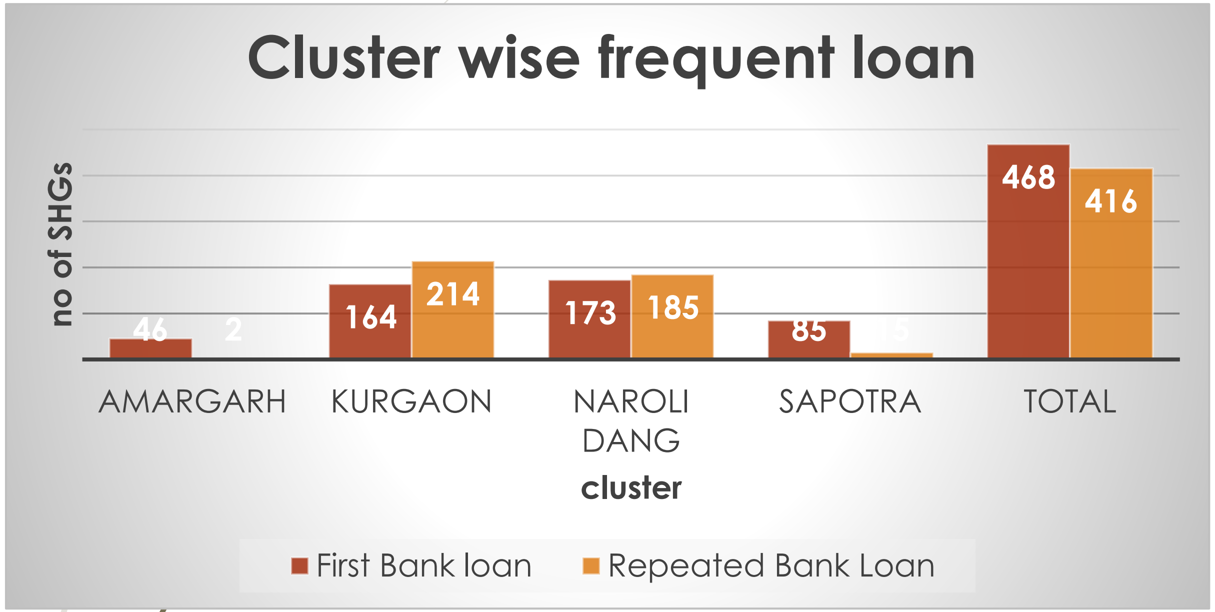
CONT.



Cluster	Total Shg account open	Bank loan
AMARGARH	334	46
KURGAON	307	164
NAROLI DANG	326	173
SAPOTRA	258	85
Total	1225	468

This table and graph shows that row represents the overall totals for all clusters combined. In total, there are 1,225 SHG accounts opened and 468 bank loans across all the mentioned clusters.

CONT.



Cluster	First Bank loan	Repeated Bank Loan
AMARGARH	46	2
KURGAON	164	214
NAROLI DANG	173	185
SAPOTRA	85	15
Total	468	416

Interpretation:-

This table and graph show that in the AMARGARH cluster, there were 46 loans granted by the First Bank and 2 loans that were repeated by the same bank. In the KURGAON cluster, there were 164 loans granted by the First Bank, while there were 214 loans that were repeated by the same bank. In the NAROLI DANG cluster, there were 173 loans granted by the First Bank, and 185 loans were repeated by the same bank. In the SAPOTRA cluster, there were 85 loans granted by the First Bank, and 15 loans were repeated by the same bank

CONCLUSION

- The purpose of the study is to identify the level of digital financial literacy among SHGs in the Sapotra Block of Rajasthan, India. The research design used for the study is a descriptive survey. A survey with 11 items relating to different types of investments and expenditures was devised to map the usage of digital platforms for financial transactions. Financial literacy Nowadays is important to anyone who wants to make decisions about their investments, personal financial planning, or how to handle the finances of their business. The study mentioned above shows that in order to engage in any entrepreneurial activity and achieve economic independence, self-help group members need training in every one of those areas. To encourage financial decisions on special groups, such as self-help group members, policymakers and regulatory organizations must seriously adopt the appropriate judgments and measures

THANK YOU