

Effectiveness of Mahila samman saving scheme on women's financial empowermentS.

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ABSTRACT

This study explores the impact of the Mahila Samman Saving Scheme (MSSS) on women's financial empowerment in selected areas of Coimbatore. Through surveys with 105 women, it assesses awareness, benefits, and challenges of the scheme. Findings show that while MSSS promotes savings and independence, issues like low digital literacy and limited bank access still exist. The scheme has potential to improve women's financial inclusion but needs better awareness and support to boost organizational outcomes.

INTRODUCTION :

The Mahila Samman Saving Scheme (MSSS), launched in the Union Budget 2023–24, is a government-backed initiative aimed at strengthening women's financial independence and inclusion across India. This scheme offers an attractive 7.5% annual interest rate with quarterly compounding and allows flexible deposit options, making it accessible to women from various economic backgrounds. In a country where many women still face challenges related to financial literacy, access to savings tools, and economic autonomy, the MSSS serves as a step toward empowerment and long-term security.

[1] **Acharya (2024)** described the MSSS as a secure and accessible scheme offering high returns, tax benefits, and partial withdrawal options.[2] **Rajora (2024)** highlighted that only 21% of bank savings in India belong to women, underlining the need for schemes like MSSS.[3] **Sinha (2024)** reported that the scheme mobilized over ₹14,500 crore in just 9 months, reflecting growing trust among women.[4] **Singh et al. (2024)** emphasized the scheme's role in reducing financial dependence and improving women's confidence.[5] **Kumar et al. (2022)** found that financial tools like MSSS support education and marriage planning among girls.[6] **Roy (2021)** observed that such schemes shift parental attitudes positively toward investing in daughters' futures.[7] **Verma and Singh (2018)** pointed out that digital illiteracy can limit scheme adoption, especially in rural areas.[8] **Sharma et al. (2019)** confirmed that structured saving options empower women to make independent financial decisions.[9] **Rao and Sharma (2003)** noted that government-backed savings schemes enhance financial literacy among women.[10] **Karthikeyan and Lalitha (2020)** found that schemes focused on women in Coimbatore significantly improve their financial security and motivation

OBJECTIVES OF THE STUDY :

- To analyze the awareness of women in the Mahila Samman saving scheme.
- To know about the impact of Economic Independence of Mahila Samman Saving Scheme.
- To identify challenges faced by women in accessing and utilizing the scheme.

RESEARCH METHODOLOGY:

The research methodology for studying the Mahila Samman Saving Scheme will involve both qualitative and quantitative approaches. The objective is to assess the effectiveness, awareness, and socio-economic impact of the scheme on women. Primary data will be collected through surveys, interviews, and focus group discussions with beneficiaries, government officials, and financial institutions. Secondary data will be gathered from government reports and existing studies on similar financial inclusion initiatives. A stratified random sampling technique will be used to select women from various regions.

DATA COLLECTION

The research design for evaluating the Mahila Samman Saving Scheme's impact on women's financial empowerment will adopt a mixed-methods approach, combining both quantitative and qualitative data. The study will involve surveys to collect data on women's savings habits, financial decision-making, and economic independence before and after participating in the scheme. In-depth interviews will be conducted with beneficiaries to understand their experiences and perceptions of financial empowerment. A control group of non-participants will also be included to compare the changes in financial empowerment.

SCOPE OF THE STUDY:

The scope of this study focuses on assessing the impact of the Mahila Samman Saving Scheme in the areas of Peelamedu, Hope College, Uppilipalayam, and Ondipudhur in Coimbatore City. The research aims to evaluate women's awareness, participation, and the perceived benefits of the scheme in promoting financial security and empowerment. By surveying and interviewing a sample of 105 women, the study will explore factors such as enrollment motivations, financial stability improvements, and challenges faced in accessing the scheme. Additionally, the role of local post offices in facilitating participation will be examined, with recommendations to enhance the scheme's accessibility and effectiveness for women in these areas.

TOOLS AND TECHNIQUES:

- Likert Scale
- Henry Garret Ranking
- Chi – Square
- Two way table



STATEMENT OF THE PROBLEM:

The specific issue or challenge that the research intends to address. It sets the foundation for the entire study by clearly identifying the gap in existing knowledge or practice that the research aims to fill. This statement should provide background information on the problem, explain why it is significant, and highlight the need for the research. It typically includes a brief discussion of the current state of knowledge, the challenges or deficiencies that exist, and how addressing the problem can contribute to a broader understanding or offer potential solutions.

RESULT AND DISCUSSION :

**TABLE-1
FINDINGS OF DEMOGRAPHIC FEATURES**

CHARACTERISTICS	CONDITION	NUMBER (%)
AGE	18-28	25 (23.5%)
	29-35	28 (26.4%)
	35-50	25 (19.8%)
	51-60	26(24.5%)
OCCUPATION	Professional	32(26.4%)
	Self Employed	22(24.5%)
	Government Employee	23 (21.7%)
	Others	10 (5.8%)
MARITAL STATUS	Married	64(61%)
	Unmarried	41(39%)
ANNUAL INCOME	Below Rs 1,50,000	25(23.8%)
	Rs 3,00,000 – Rs 5,00,000	34(32.4%)
	Rs 5,00,000 – Rs 10,00,000	31(29.5%)
	Above Rs 10,00,000	15(14.3%)

TABLE - 2
LIKERT SCALE - FACTOR SATISFACTORY LEVEL OF MAHILA SAMMAN SAVING SCHEME

FACTOR	STRONGLY AGREE (SA)	AGREE (A)	NEUTRAL (N)	DISAGREE (D)	STORNGLY DISAGREE (SD)	TOTAL
I am aware of this scheme	23 (21.9%)	44 (41.9%)	27 (25.7%)	5 (4.8%)	6 (5.7%)	105
The interest rate offered under this scheme	12 (11.4%)	37 (35.2%)	36 (34.2%)	13 (12.3%)	7 (6.9%)	105
This scheme helps women become independent	20 (19%)	24 (22.8%)	40 (38.3%)	11 (10.4%)	10 (9.5%)	105
I find it easy to understand the features and benefit of the scheme	17 (16.4%)	28 (26.6%)	25 (23.8%)	20 (19%)	15 (14.2%)	105

INFERENCE

From the table inferred that I am aware of the scheme and the respondents (41.9%) agree that they are aware of the scheme

TABLE – 3 GARRETT RANKING

Factors	1	2	3	4	5	Total	Rank
Promotion	750	1575	2175	2100	1275	7875	1
Withdrawal	354	1357	2065	1298	1121	6195	2
Saving Habit	931	1127	1715	1078	196	5047	3
Investment	259	481	1073	1036	1036	4185	4
Financial Planning	171	209	380	589	627	1976	5

INFERENCE

The above table sources that Garret score value and ranking. Firstly, the Garret rank is calculated by using appropriate garret ranking formula. Then based on the Garret ranks the Garret table value is ascertained. The Garret value given in which are multiplied to record Garret scores in table. Finally, by adding each row the total garret score is obtained. Then the garret score is ranked according to their values:

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The first rank is given to “**Promotion**” The second rank is given to “**Withdrawal**” The third rank is given to “**Saving habit**” The fourth rank is given to “**Investment**”
The fifth rank is given to “**Financial planning**”

TABLE 4

TWO WAY TABLE TABLE SHOWS THE RELATIONSHIP BETWEEN CATEGORY AND THE CHALLENGES

S.NO	CATEGORY	CHALLENGES THEY FACED UNDER THIS SCHEME				Total
		Lack of digital literacy	Limited access to bank	High minimum balance	complex	
1	All women in India	2 (5.7%)	3 (15%)	1 (4.7%)	8 (27.5%)	14
2	Women from weaker section	12 (34.2%)	4 (20%)	8 (38%)	6 (20.6%)	30
3	Rural women only	11 (31.4%)	7 (35%)	9 (42.8%)	8 (38%)	35
4	Women in urban area	10 (28.5%)	6 (30%)	3 (14.2%)	7 (33.3%)	26
	Total	35 (100%)	20 (100%)	21 (100%)	29 (100%)	105

INFERENCE

The total number of respondents collected are 105 and they are grouped based on their category and challenges faced under this scheme.

From the derived data we inferred that totally 14 of the respondents are all women in India, out of them 27.5% of the respondent complex followed by 15% of the respondent selected limited access to bank, 5.7% of the respondents selected lack of digital literacy, 4.7% of the respondents selected high minimum balance.

Out of total respondents 30 respondents are at women from weaker section of which 38% of the respondents selected high minimum balance followed by 34.2% of the respondents selected lack of digital literacy, 20.6% of the respondents selected complex, 20% of the respondents selected limited access to bank.

Out of the total respondents 35 respondents are at rural women only of which 42.8% of the respondents selected high minimum balance, followed by 38% of the respondents selected complex, 35% of them selected limited access to bank, 31.4% of them selected lack of digital literacy.

Out of the total respondents 26 of women in urban area, out of which 33.3% of the respondents selected complex followed by 30% of them selected limited access to bank, 28.5% of the respondents selected lack of digital literacy and only 14.2% of them selected high minimum balance.

TABLE No 5

TWO WAY TABLE SHOWS THE RELATIONSHIP BETWEEN INITIAL DEPOSITE AND UTILIZING

S.NO	Initial deposit	Utilizing the scheme			Total
		Difficulty in tracking account details	Lack of guidance	Complex withdrawal procedures	
1	Below Rs.50,000	9 (32.1%)	12 (40%)	15 (31.9)	36
2	Rs.50,000-1,00,000	6 (21.4%)	7 (23.3%)	8 (17%)	21
3	Rs.1,50,000	7 (25%)	5 (16.6%)	11 (23.4%)	23
4	RS.2,00,000	6 (21.4%)	6 (20%)	13 (27.6%)	25
	Total	28 (100%)	30 (100%)	47 (100%)	105

INFERENCE

The total number of respondents collected are 105 and they are grouped based on their initial deposit and utilizing. Out of the 36 respondents from the derived data that inferred that the respondents are 40% of the respondents selected lack of guidance, followed by 32.1% of the respondents Difficulty in tracking account details, 31.9% of the respondents selected Complex withdrawal procedures.

The total number of respondents collected are 105 and they are grouped based on their initial deposit and utilizing. Out of the 21 respondents from the derived data of we inferred that the respondents are 23.3% of the respondents selected lack of guidance followed by 21.4% of the respondents Difficulty in tracking account details, 17% of the respondents selected Complex withdrawal procedures.

The total number of respondents collected are 105 and they are grouped based on their initial deposit and utilizing. Out of the 23 respondents from the derived data of 25% of the respondents have select Difficulty in tracking account details, followed by of we inferred that the respondents are 23.3% of Complex withdrawal procedures and 16.6% the respondents selected lack of guidance.

The total number of respondents collected are 105 and they are grouped based on their initial deposit and utilizing. Out of the 25 respondents From the derived data of 26.3% of the respondents have select Difficulty in tracking account details, followed by of we inferred that the respondents are 21.4% of Complex withdrawal procedures and 20% the respondents selected lack of guidance

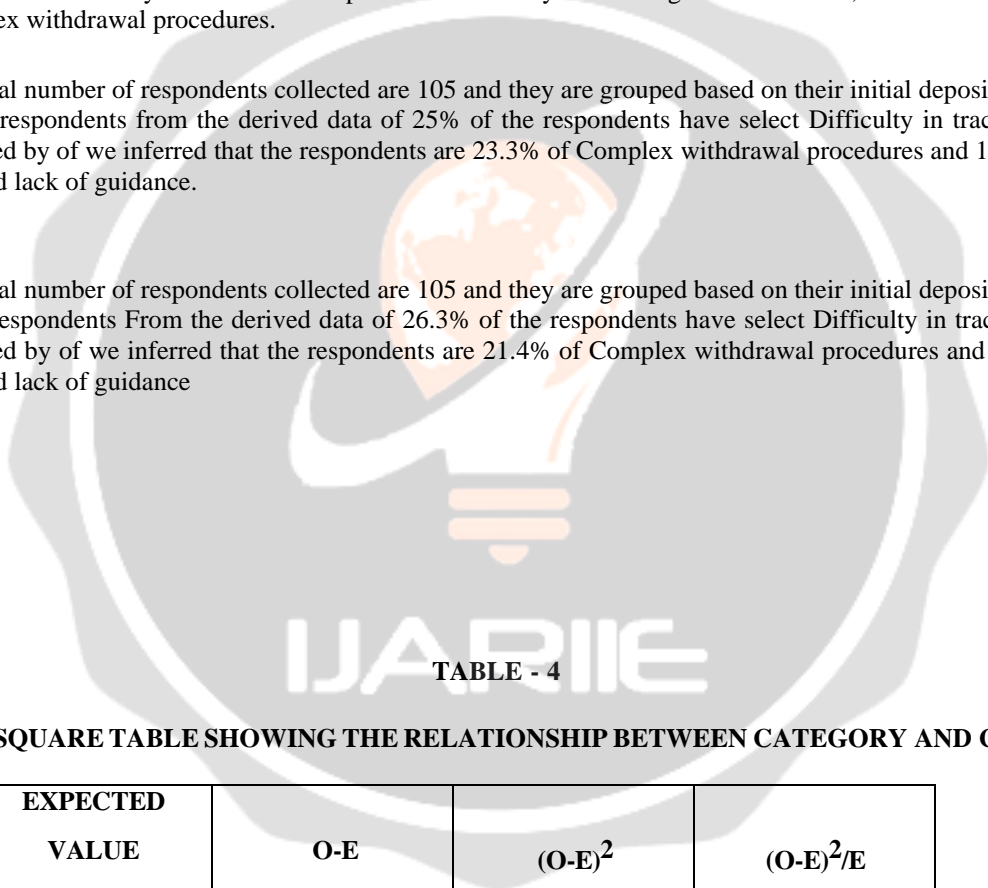


TABLE - 4

CHI-SQUARE TABLE SHOWING THE RELATIONSHIP BETWEEN CATEGORY AND CHALLENGES

OBSERVED VALUE	EXPECTED VALUE	O-E	(O-E) ²	(O-E) ² /E
2	4.6	-2.6	6.76	1.46
3	2.6	0.4	0.16	0.061
1	2.8	-1.8	3.24	1.15
8	3.8	4.2	17.64	4.64
12	10	2	4	0.4
4	5.7	-1.7	2.89	0.50
8	6	2	4	0.66

6	8.2	-2.2	4.84	0.59
11	11.6	-0.6	0.36	0.031
7	6.6	0.4	0.16	0.024
9	7	2	4	0.57
8	9.6	-1.6	2.56	0.26
10	8.6	1.4	1.96	0.22
6	4.9	1.1	1.21	0.24
3	5.2	-2.2	4.84	0.93
7	7.1	-0.1	0.01	0.0014
TOTAL				11.7374



INFERENCE

Degree of freedom, $V =$

$(r-1) (c-1)$

$= (4-1) (4-1)$

$= 9$

Tabulated chi-square at 5% for 9df = 16.92

Since, the calculated value of chi – square (16.92) is greater than the tabulated value (11.7374) of chi - square at 5% level of significance and null hypothesis is rejected.

Hence the study concluded that the category of the respondent have significant effect on challenges.

TABLE-5

CHI-SQUARE TABLE SHOWING THE RELATIONSHIP BETWEEN INITIAL DEPOSIT AND UTILIZING

OBSERVED VALUE	EXPECTED VALUE	O-E	(O-E) ²	(O-E) ² /E
9	9.6	0.6	0.36	0.03
12	10.2	1.8	3.24	0.31
15	14	1	1	0.07
6	5.6	0.4	0.16	0.02
7	6	1	1	0.16
8	8.2	-0.2	0.04	0.004
7	6.1	0.9	1.71	0.28
5	6.5	-1.5	2.25	0.34
11	8.9	2.1	4.41	0.49
6	6.6	-0.6	0.36	0.05
6	7.1	-1.1	1.21	0.17
13	9.7	3.3	10.89	1.12
TOTAL				3.044

Degree of freedom,

$$\begin{aligned} V &= (r-1) (c-1) \\ &= (4-1) (3-1) \\ &= 6 \end{aligned}$$

Tabulated chi-square at 5% for 6df = 12.59

Since, the calculated value of chi – square (12.59) is greater than the tabulated value (3.044) of chi - square at 5% level of significance and null hypothesis is rejected.

Hence the study concluded that the initial deposit of the respondent have significant effect on utilizing.

RECOMMENDATION:

- Conduct regular awareness programs to educate women about the scheme's benefits and procedures.
- Simplify documentation and application to help rural and semi-urban women access the scheme easily.
- Introduce a user-friendly mobile app to track savings, interest, and maturity, promoting digital use.
- Offer incentives like bonus interest to encourage regular savings and financial discipline.

CONCLUSION:

The Mahila Samman Savings Scheme is a significant initiative by the Government of India aimed at promoting the financial empowerment of women by encouraging systematic savings. Through this scheme, women are provided with a secure and attractive investment option with a fixed interest rate, enabling them to build financial stability and independence. The study reveals that the scheme has created a positive impact, especially among middle-class and rural women, by motivating them to save and manage their finances better. However, the effectiveness of the scheme can be further enhanced with more awareness, simplified procedures, and digital accessibility.

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