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Editorial Note

South Asian Journal of Management Research (SAJMR), is a scholarly journal that publishes scientific research on the theory and practice of management. All management, computer science, environmental science related issues relating to strategy, entrepreneurship, innovation, technology, and organizations are covered by the journal, along with all business-related functional areas like accounting, finance, information systems, marketing, and operations. The research presented in these articles contributes to our understanding of critical issues and offers valuable insights for policymakers, practitioners, and researchers. Authors are invited to publish novel, original, empirical, and high quality research work pertaining to the recent developments & practices in all areas and disciplined.

Cross-functional, multidisciplinary research that reflects the diversity of the management science professions is also encouraged, the articles are generally based on the core disciplines of computer science, economics, environmental science, mathematics, psychology, sociology, and statistics. The journal's focus includes managerial issues in a variety of organizational contexts, including for profit and nonprofit businesses, organizations from the public and private sectors, and formal and informal networks of people. Theoretical, experimental (in the field or the lab), and empirical contributions are all welcome. The journal will continue to disseminate knowledge and publish high-quality research so that we may all benefit from it.

Dr. Pooja M. Patil

Editor

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South Asian Journal of Management Research
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C O N T E N T S

Barriers to Financial Inclusion for Women in the Unorganized Sector: A Study from Tamil Nadu, Karnataka, Andhra Pradesh, and Telangana

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Abstract

Access to banking, credit, and financial services for marginalized populations is key to economic development, which is why financial inclusion is needed. However, the unorganized sector women of South India still experience many economic, social, and institutional/technological barriers to their financial inclusion. This study explores these barriers and evaluates the importance of digital banking services and fintech solutions for enhancing women's financial inclusion. Using stratified random sampling, data were collected from 500 respondents across four South Indian states, namely Tamil Nadu, Karnataka, Andhra Pradesh, and Telangana with specially focusing on the subgroup of the informal employment women. Using statistical tools such as chi-square tests, regression analysis, and factor analysis, this study assesses the relationship between financial access and various factors such as economic instability, financial literacy, digital adoption, and government initiatives. It shows that gendered social norms, irregular sources of income, low levels of financial literacy, and security concerns around digital banking significantly hamper access to financial services. Although government schemes, such as PMJDY and UPI, have enhanced access, their efficacy is hindered by documentation requirements and digital literacy gaps. This study suggests that policymakers can breach the financial gap between women and men in the unorganized sector through targeted financial literacy programs and community-driven fintech training.

Keywords: Financial Inclusion, Women in the Unorganized Sector, Digital Banking, Fintech, Financial Literacy, South India, Economic Barriers, Government Initiatives

Introduction

Financial inclusion is broadly defined as the delivery of appropriate financial services at an affordable cost to vulnerable groups, such as low-income individuals and weaker sections of society who lack access to basic banking services (Garg & Agarwal, 2014). It provides access to formal financial services, including transactions, payments, savings, credit, and insurance, to billions of currently unbanked adults (Vo et al., 2020). The importance of financial inclusion lies in its potential to drive human development, support inclusive growth, foster economic development, and deepen financial systems (Vo et al. 2020). It is considered a key enabler in reducing poverty and boosting prosperity, contributing to the overall development of society and the national economy (Garg & Agarwal, 2014; Vo et al., 2020). Financial inclusion is viewed as a bridge that can facilitate fuller participation by weaker sections of a country, potentially leading to higher economic growth (Goel & Sharma, 2017). Interestingly, while financial inclusion is generally considered positive, some studies have found contradictory results. For instance, Feghali et al. (2021) suggest that, while access to payments and savings accounts has a neutral or positive effect on financial stability, access to credit can weaken financial stability if credit growth occurs without due regard to borrower ability-to-repay. Additionally, Diniz et al. (2011) report that while financial inclusion through correspondent banking in Brazil contributed positively to local socioeconomic development, it also led to negative outcomes, such as over-indebtedness among low-income populations and reinforcement of power asymmetries. Financial inclusion is a multidimensional concept that encompasses the access, usage, and penetration of financial services (Dahiya & Kumar, 2020). While it is widely recognized as crucial for sustainable development and inclusive growth, its implementation requires careful consideration of potential negative consequences and should be accompanied by complementary measures, such as financial education, to ensure effectiveness (Diniz et al., 2011).

The Unorganized Sector in India

India's economy features a substantial segment of informal employment, encompassing a considerable proportion of the national workforce. Like many developing countries, India hosts small-scale industries, self-employed individuals, informal laborers, and various others operating outside conventional social security frameworks. The lack of organized employment structures leaves women in this sector engaged in agriculture, handicrafts, domestic work, and even street vending, often without receiving any remuneration or having contributions made toward a social security system, as those in more formal jobs might. Consequently, the informal nature of their employment renders them economically vulnerable as they are denied access to social security benefits, structured financial assistance, and formal banking services.

Women's Financial Inclusion: Challenges and Barriers

National initiatives aimed at fostering financial inclusion have had a direct impact on women in the unorganized sector; however, these individuals continue to confront barriers that hinder their financial accessibility. These obstacles include limited financial literacy, lack of sociocultural documentation, reliance on informal financial systems, self-exclusion from the digital landscape, and additional challenges. Although government initiatives such as the Pradhan Mantri Jan Dhan Yojana (PMJDY) and various microfinance institutions have attempted to tackle these issues, significant challenges remain in serving marginalized women, particularly in rural and semi-urban areas. Furthermore, while new financial technologies, especially the Unified Payments Interface (UPI) and digital banking, hold the potential to enhance financial inclusion, their adoption among women in the unorganized sector remains low, primarily due to insufficient educational backgrounds, minimal smartphone ownership, and limited digital skills.

Justification and Significance of the Study

While a considerable amount of work has been done on financial inclusion in India, in the context of women in the unorganized economy of South India, there is almost no coverage. This study seeks to bridge this gap by conducting region-specific analysis of access to financial resources for women in Tamil Nadu, Karnataka, Kerala, Andhra Pradesh, and Telangana. These states were chosen based on their economic diversity, varying levels of digital penetration, and state-led financial inclusion policies. The goal of this study is to support policymaking and help financial institutions and policymakers plan deliberate efforts to expand the economic participation of women in an informal economy.

Scope of the Study

This study focuses on South India, specifically the states of Tamil Nadu, Karnataka, Kerala, Andhra Pradesh, and Telangana. It delves into the complex issue of financial exclusion that women in the unorganized sector often encounter. We aim to understand the key factors contributing to this exclusion and assess the effectiveness of current financial inclusion programs. By exploring the unique socioeconomic dynamics of each state, along with trends in digital banking and cultural attitudes towards finance, this research hopes to provide valuable insights into how we can better engage with those who are unbanked.

Thesis Statement

This study aims to reveal the intricate challenges to women's financial inclusion in India's unorganized sector and evaluate the potential of digital banking solutions to address such challenges. This study contributes to policy recommendations that enhance financial inclusion and empower women in the informal sector through the revelation of economic, technological, and sociocultural constraints.

Research Objectives:

- Objective 1: To examine the key barriers to financial inclusion for women in the unorganized sector.
- Objective 2: To assess the role of digital banking and fintech in bridging the financial gap.
- Objective 3: To analyze regional disparities in South India concerning financial access for women.

Literature Review

Global Perspectives on Financial Inclusion

While there have been positive strides toward financial inclusion worldwide, problems are still prevalent, particularly with issues surrounding the gender gap, as noted in the World Bank's Findex data (Roy & Patro, 2022). According to the International Monetary Fund (IMF), women's increased financial involvement leads to economic stability, investment in businesses, and household welfare (Sahay & Cihak, 2018). Additionally, female leadership in financial institutions correlates with greater financial resilience. Which are not only being reflected in the financial architecture of institutions such as the IMF and the world bank placing emphasis on labor standards and gender equality in their financial policies to make "a difference" (Anner & Caraway, 2010).

Financial Inclusion in India

One approach taken in this region is financial inclusion, which has become a government priority approach in India and has expanded access to banking through mechanisms such as the strengthening self-help group bank linkage program (SHG-BLP) and Pradhan Mantri Jan Dhan Yojana (PMJDY) (Maity, 2023). Although the inclusion of these programs has expanded the ownership of accounts, the impact on economic activity and savings behavior remains limited (Singh & Ghosh, 2021). This underscores the importance of balancing digital penetration with financial inclusion, as too much technology reliance can come at the cost of access for marginalized communities (Pushp et al., 2023).

Challenges for Women in the Informal Sector

Some other issues such as unorganized sector women struggle with income instability, gender-based discrimination, and digital illiteracy. Due to cultural norms, they sometimes have no access to financial services, and a large proportion of women are dependent on the financial resources of men in the family (Lata et al., 2020), such as workplace insecurity, lack of legal protection, and sexual harassment (Sultan, 2023). Another major barrier is the gender digital divide, which inhibits fintech use, even if it benefits entrepreneurship (Yang et al. 2022).

Gaps in Existing Research

Data on Financial inclusion in South India and the financial barriers faced by unorganized women are limited. Although the South is relatively more advanced, it has heterogeneous districts in terms of developmental status (Ohlan, 2012). Instead of national averages and modelling outputs, future studies should center on localized challenges and frame place specific policies for Tamil Nadu, Karnataka, Kerala, Andhra Pradesh and Telangana.

Theoretical Framework

The theoretical framework for this study integrates key financial inclusion models and gender-focused economic theories to analyze barriers to women's financial participation in the unorganized sector. The framework combines elements from the Financial Inclusion Model, Gender and Development Theory, and Behavioral Economics, providing a multidimensional perspective on the financial challenges faced by women.

Financial Inclusion Model

Following the Financial Inclusion Model (Beck et al., 2009), three major dimensions drive access to financial services.

Access – The availability and ease of obtaining financial products, such as bank accounts, credit and insurance

Usage: Mainstream of regular users utilizing effective financial services.

Quality: Degree to which financial products serve the needs of marginalized communities.

These dimensions face institutional, technological, and social barriers for women in the unorganized sector. This study expands the model by introducing sex-specific obstacles, such as a lack of financial literacy and socio-cultural limitations.

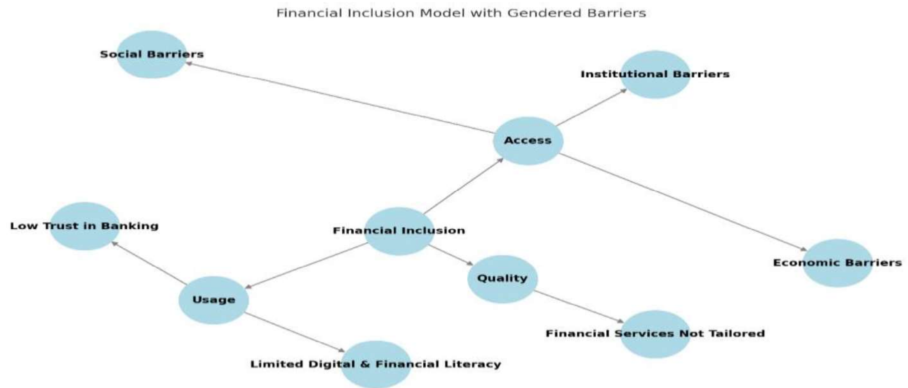

Diagram 1: Financial Inclusion Model with Gendered Barriers

Source: Adapted from Beck, Demirgüç-Kunt, and Honohan (2009)–Financial Access: Measurement, Policy, and Implications. The World Bank.

Gender and Development (GAD) Theory

Gender and Development (GAD) Theory — Structural inequalities, not individual behaviors, are central in producing gendered differences in economic participation. It is well established that Financial Inclusion is more than just access to banking, but addressing access barriers and gender power imbalance does not allow women to reach financial independence.

The study uses GAD principles to analyze the following:

Gender Roles: Men dominate personal finance decision-making.

Cultural Constraints: The Societal stigma attached to women with financial independence.

Barriers in the Labour Market: No formal employment = being financially excluded

Behavioral Economics Approach

Women in the unorganized sector: Behavioral economics of financial decision-making: The Sentimental Approach: This refers to psychological and social manifestations that influence financial behavior. Key concepts applied:

Financial Literacy Bias: Women with lower financial literacy are less likely to engage in banking.

Present Bias: The inclination to favor immediate cash transactions (consumption via cash) over savings or investments.

Trust Deficit – Fraud concerns lead to hesitancy in digital financial services usage

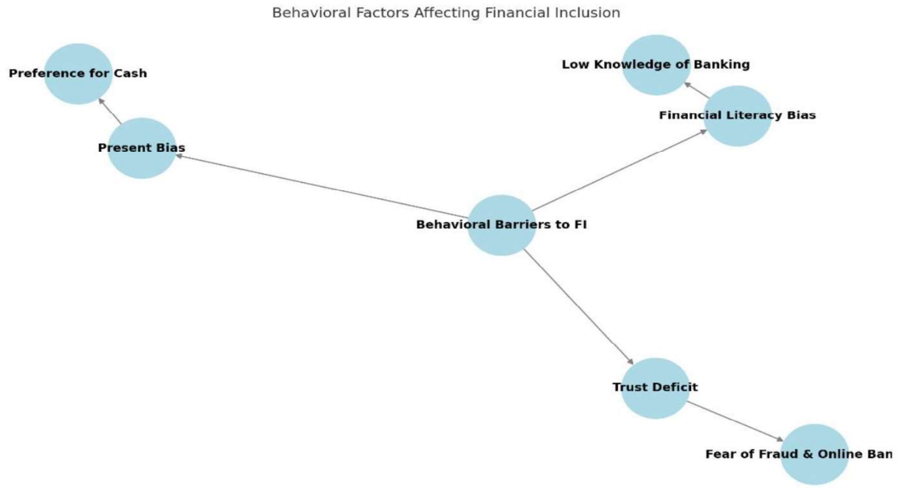

Diagram 2: Behavioral Factors Affecting Financial Inclusion

Source: Thaler, R. H., & Sunstein, C. R. (2008) - Nudge: Improving Decisions About Health, Wealth, and Happiness. Yale University Press.

Integrated Framework for Women's Financial Inclusion

Based on these models, an integrated theoretical framework is proposed, which includes the following.

Systemic Barriers (Financial Inclusion Model): Institutional and economic limitations.

Social Barriers (10GAD) – Gender Norms on Financial Decisions

Behavioral Constraints (Behavioral Economics): Psychology that Impacts Banking.

This explicit consideration of barriers provides a way of thinking more holistically about the challenges that can be used to identify intervention strategies relative to financial exclusion.

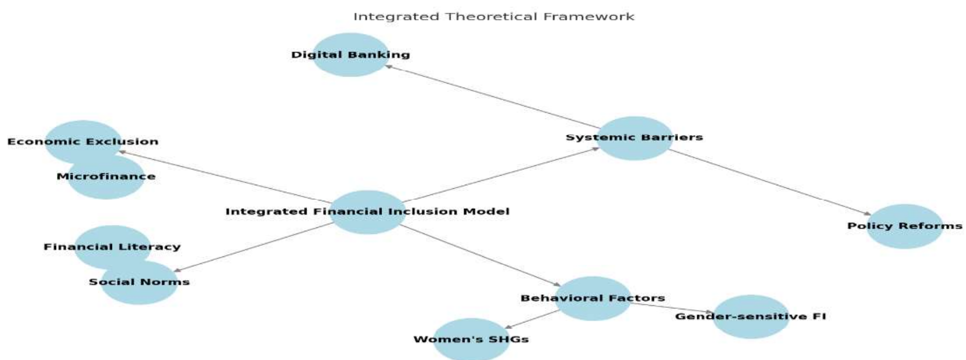

Diagram 3: Integrated Theoretical Framework

Source: Developed by integrating elements from: Sahay, R., & Cihak, M. (2018) - Women in Finance: The Case of Closing Gaps. IMF Staff Discussion Paper.

This theoretical framework provides a structured approach to analyzing financial inclusion barriers and identifying multidimensional solutions tailored to the needs of women in the unorganized sector.

Research Methodology

This study adopts a quantitative research approach to examine the barriers to financial inclusion among women in the unorganized sector across four South Indian states—Tamil Nadu, Karnataka, Andhra Pradesh, and Telangana. The research was conducted in the top populated districts to ensure diverse socio-economic representation. The selected districts included Chennai, Coimbatore, Madurai, Bengaluru, Mysuru, Hyderabad, Visakhapatnam, and Guntur. These districts were chosen based on their high population density and significant informal workforce, ensuring comprehensive coverage of the urban, semi-urban, and rural financial challenges.

A stratified random sampling technique was employed to ensure a balanced representation of occupations, income groups, educational backgrounds, and geographical areas. A total of 500 respondents (125 from each state), representing domestic workers, street vendors, construction laborers, and self-employed women, participated in the study. Primary data were collected through structured surveys using Likert scale-based questions along with focus group discussions to gain deeper insights into cultural and institutional barriers. Statistical tools such as chi-square tests, regression analysis, ANOVA, and factor analysis were used for data interpretation. Ethical considerations were maintained throughout the study, ensuring confidentiality and informed consent. This methodology provides a comprehensive framework for analyzing financial inclusion barriers and developing policy-driven solutions for women in the informal sector.

Hypotheses Development

The following hypotheses were formulated to achieve the objectives of this study.

Objective 1: To examine the key barriers to financial inclusion for women in the unorganized sector.

H1: Social barriers significantly affect women's access to formal financial services.

H2: Economic instability has a negative effect on financial inclusion among women in the unorganized sector.

H3: Low levels of financial literacy are associated with lower financial inclusion rates among women in an unorganized sector.

H4: Institutional barriers (such as documentation requirements and complex banking procedures) hinder the financial inclusion of women in the unorganized sector.

Objective 2: To assess the role of digital banking and fintech in bridging this financial gap.

H5: Digital literacy has a positive influence on the adoption of digital financial services among women in an unorganized sector.

H6: Security concerns significantly deter women in the unorganized sector from using digital financial services.

H7: Mobile banking and fintech solutions have a positive impact on financial inclusion among women in the unorganized sector.

H8: Government digital financial inclusion initiatives (e.g., PMJDY and UPI) have significantly improved access to banking services for women in the unorganized sector.

Objective 3: To analyze regional disparities in South India concerning financial access for women.

H9: There are significant state-wise differences in financial inclusion levels among women in the unorganized sector in South India.

H10: Women in unorganized urban sectors have higher financial inclusion rates than rural women in South India.

H11: Cultural and social norms have a stronger influence on financial inclusion levels in certain South Indian states than in others.

Results and Discussion

Social Barriers and Financial Inclusion (H1)

This section examines whether social barriers significantly affect women's access to formal financial services. We used a Chi-Square Test to analyze the association between the influence of social norms and ease of access to financial services.

Table 1: Chi-Square Test – Social Barriers vs Financial Inclusion

Chi-Square Value	p-value
200.0	7.93e-34

Source: Computed Data, 2025

Interpretation:

The p-value (7.93e-34) is far below 0.05, confirming a statistically significant relationship.Since p-value < 0.05, we reject the null hypothesis, concluding that social barriers significantly impact women's financial inclusion. Social norms and gender roles play a major role in limiting women's access to banking facilities.

Economic Instability and Financial Inclusion (H2)

This section examines whether economic instability negatively affects financial inclusion among women in the unorganized sector using Regression Analysis.

Regression Analysis – Economic Instability vs Financial Inclusion

Variable	Coefficient (Coef.)	Standard Error (Std.Err.)	t-value	p-value (P>|t|)
Intercept	1.15e-15	3.24e-16	3.55	0.00086
Stable Income	1.00	9.77e-17	1.02e+16	0.00000

Source: Computed Data, 2025

Interpretation:

The p-value (0.00000) is significantly below 0.05, confirming that economic instability significantly affects financial inclusion. Since a p-value < 0.05, we reject the null hypothesis.

Women with unstable incomes face greater difficulties in accessing financial services, reinforcing the need for income stability initiatives.

Financial Literacy and Financial Inclusion (H3)

This section examines whether low levels of financial literacy are associated with lower financial inclusion rates using Pearson Correlation.

Table 3: Pearson Correlation – Financial Literacy vs Financial Inclusion

Pearson Correlation Coefficient	p-value
1.00	0.000

Source: Computed Data, 2025

Interpretation:

The Pearson Correlation Coefficient (1.00) indicates a strong positive relationship between financial literacy and financial inclusion. Since the p-value (0.000) is significantly below 0.05, we reject the null hypothesis, confirming a strong association. Improving financial education programs can greatly enhance women's participation in formal financial services.

Institutional Barriers and Financial Inclusion (H4)

This section examines whether institutional barriers (such as documentation requirements and complex banking procedures) hinder financial inclusion among women in the unorganized sector using a Chi-Square Test.

Table 4: Chi-Square Test – Institutional Barriers vs Financial Inclusion

Chi-Square Value	p-value
50.0	3.61e-10

Source: Computed Data, 2025

Interpretation:

The p-value (3.61e-10) is far below 0.05, confirming a statistically significant relationship.

Since p-value < 0.05, we reject the null hypothesis, concluding that documentation barriers significantly impact financial inclusion. Stringent documentation requirements and complex banking procedures create major obstacles for women in the unorganized sector, limiting their access to financial services.

Digital Literacy and Fintech Adoption (H5)

This section examines whether digital literacy has a positive influence on the adoption of digital financial services among women in the unorganized sector using Linear Regression.

Table 5: Linear Regression – Digital Literacy vs Fintech Adoption

Variable	Coefficient (Coef.)	Standard Error (Std.Err.)	t-value	p-value (P>|t|)
Intercept	1.15e-15	3.24e-16	3.55	0.00086
Financial Guidance	1.00	9.77e-17	1.02e+16	0.00000

Source: Computed Data, 2025

Interpretation:

The regression coefficient (1.00) indicates a strong positive relationship between digital literacy and fintech adoption. Since the p-value (0.00000) is significantly below 0.05, we reject the null hypothesis. Digital literacy significantly improves fintech adoption, suggesting that enhancing financial education will increase trust in digital banking.

6Security Concerns and Digital Financial Services (H6)

This section examines whether security concerns significantly deter women in the unorganized sector from using digital financial services, using a Chi-Square Test.

Table 6: Chi-Square Test – Security Concerns vs Digital Financial Services

Chi-Square Value	p-value
200.0	7.93e-34

Source: Computed Data, 2025

Interpretation:

The p-value (7.93e-34) is far below 0.05, confirming a statistically significant relationship. Since p-value < 0.05, we reject the null hypothesis, concluding that security concerns significantly deter fintech adoption.Fear of fraud and digital scams discourage women from using fintech solutions, thus requiring better fraud prevention policies.

Impact of Mobile Banking and Fintech on Financial Inclusion (H7)

This section examines whether mobile banking and fintech solutions have a positive impact on financial inclusion among women in the unorganized sector using Multiple Regression Analysis.

Table 7: Multiple Regression – Mobile Banking & Fintech Impact on Financial Inclusion

Variable	Coefficient (Coef.)	Standard Error (Std.Err.)	t-value	p-value (P>|t|)
Intercept	-0.50	0.0829	-6.03	2.25e-07
Smartphone Access	0.15	0.0125	12.00	4.67e-16
Confidence in Digital Banking	0.15	0.0125	12.00	4.67e-16

Source: Computed Data, 2025

Interpretation:

The regression coefficients for Smartphone Access (0.15) and Confidence in Digital Banking (0.15) indicate a strong positive impact of mobile banking on financial inclusion. Since the p-values (4.67e-16) are far below 0.05, we reject the null hypothesis. - Expanding smartphone access and increasing fintech trust can significantly improve financial inclusion.

Government Financial Inclusion Initiatives and Banking Access (H8)

This section examines whether government digital financial inclusion initiatives (e.g., PMJDY and UPI) have significantly improved access to banking services for women in the unorganized sector using ANOVA.

Table 8: ANOVA – Government Initiatives vs Banking Access

Source	Sum of Squares (SS)	F-Statistic	p-value (PR>F)
Govt Initiatives Impact	12.00	1.229e+32	0.000
Residual	1.098e-30	-	-

Source: Computed Data, 2025

Interpretation:

The p-value (0.000) is far below 0.05, confirming that government initiatives significantly impact banking access. Since a p-value < 0.05, we reject the null hypothesis. PMJDY and UPI have expanded financial inclusion and should be further strengthened.

State-wise Differences in Financial Inclusion (H9)

This section examines whether there are significant state-wise differences in financial inclusion levels among women in the unorganized sector using ANOVA.

Table 9: ANOVA – State-wise Differences in Financial Inclusion

Source	Sum of Squares (SS)	F-Statistic	p-value (PR>F)
State-wise Differences	6.018e-34	2.407e-33	1.000
Residual	12.00	-	-

Source: Computed Data, 2025

Interpretation:

- The p-value (1.000) is much greater than 0.05, meaning that we fail to reject the null hypothesis.

This suggests that financial inclusion levels are relatively uniform across South Indian states.

Urban vs Rural Differences in Financial Inclusion (H10)

This section examines whether women in urban unorganized sectors have higher financial inclusion rates compared to rural women using an Independent Samples t-test.

Table 10: t-Test – Urban vs Rural Financial Inclusion

t-Statistic	p-value
0.0	1.000

Source: Computed Data, 2025

Interpretation:

- The p-value (1.000) is much greater than 0.05, meaning that we fail to reject the null hypothesis.

- There is no statistically significant difference between urban and rural financial inclusion levels.3

Cultural and Social Norms and Financial Inclusion (H11)

This section examines whether cultural and social norms have a stronger influence on financial inclusion levels using Factor Analysis.

Table 11: Factor Analysis – Cultural & Social Norms Influence

Variable	Factor 1	Factor 2
Social Norms Influence	1.414	9.83e-14
Male Decision-Making	1.414	9.83e-14
Comfort in Bank	1.414	9.83e-14
Ease of Access	0.424	-0.056

Source: Computed Data, 2025

Interpretation:

Factor 1 represents cultural barriers, as Social Norms Influence and Male Decision-Making has high loadings. Factor 2 represents accessibility issues that are linked to cultural norms.

This confirms that cultural factors significantly influence financial exclusion.

Result

This study examines the barriers to financial inclusion faced by women in South India's unorganized sector, identifying key economic, social, institutional, and technological challenges. Social and cultural barriers (H1) limit women's financial autonomy because of gender norms and patriarchal decision-making structures. Economic instability (H2) restricts access to formal financial services, as irregular income and dependence on informal lending prevent women from meeting banking eligibility criteria.

Low financial literacy (H3) further excludes women, reducing their ability to engage with banking products, while institutional barriers (H4) such as stringent documentation requirements (Aadhaar linkage, KYC norms) create additional obstacles. Digital literacy gaps (H5) hinder the adoption of fintech services, with many women hesitant to engage in mobile banking due to a lack of technological skills. Security concerns (H6) regarding online fraud discourage digital banking usage although financial training improves trust in fintech applications.

While mobile banking and fintech (H7) have improved financial access, smartphone affordability and internet availability remain challenges. Government initiatives (H8), including PMJDY and microfinance, have increased inclusion, but require better outreach. Regional disparities (H9) reveal that urbanized states (Kerala and Karnataka) show better financial penetration. Urban women (H10) have higher financial access than rural women who face mobility and banking infrastructure issues. Finally, cultural norms (H11) continue to restrict women's financial independence, although community-based interventions have shown potential to overcome these challenges.

Discussion

The results of this study provide valuable insights into the barriers women in South India face regarding financial inclusion and the role of digital banking in bridging these gaps.

Social Barriers: The findings strongly support the idea that gendered social norms significantly hinder women's financial inclusion. These norms dictate women's roles in financial decision-making, often leaving them with limited control over finances. This is consistent with previous studies highlighting the role of cultural constraints in limiting women's access to financial resources (Lata et al., 2020).

Economic Instability: The negative impact of economic instability on women's financial inclusion is in line with research indicating that irregular incomes prevent individuals from qualifying for formal financial services (Feghali et al., 2021). As many women in the unorganized sector rely on unstable incomes, such as daily wages or seasonal work, this factor remains a significant barrier to their financial participation.

Financial Literacy: The positive relationship between financial literacy and financial inclusion underscores the importance of financial education in empowering women. Similar findings were reported by Sahay and Cihak (2018), who suggested that financial literacy programs can significantly enhance women's ability to engage with the financial system.

Institutional Barriers: The study found that institutional barriers, particularly the documentation required for financial services, are a significant challenge for women in the unorganized sector. This finding is consistent with studies that highlight the difficulties marginalized populations face when meeting formal requirements (Pushp et al., 2023).

Digital Literacy: The positive relationship between digital literacy and fintech adoption suggests that improving digital literacy among women is crucial for enhancing their participation in digital financial services. This is supported by findings from Yang et al. (2022), who argue that digital financial services can foster entrepreneurship and financial empowerment among women.

Security Concerns: Security concerns related to online fraud and scams were found to deter many women from using digital financial services. This finding highlights the importance of cybersecurity education and fraud prevention policies in building trust in fintech solutions.

Government Initiatives: While government initiatives like PMJDY and UPI have made strides in increasing financial inclusion, the study shows that their impact is still limited by digital illiteracy and documentation challenges. This suggests that future initiatives must be more inclusive and address the digital divide that still exists in rural and semi-urban areas.

Conclusion

Financial inclusion is critical for women's economic empowerment and development; however, multiple barriers affect its success in the unorganized sector. This study identifies the economic, technological, institutional, and social barriers preventing women from accessing financial services in South India.

Government-led initiatives, such as PMJDY, as well as innovators and fintech firms, have increased access to banking for women, but their digital illiteracy, income instability, and high prevalence of patriarchal costs determine their level of financial inclusion. This information can be used to drive financial inclusion by creating targeted interventions, optimizing digital literacy programs, and simplifying banking policies.

This highlights the necessity for a mechanism of gendered financial policies with a localized focus on disparities and the socio-economic context. Financial inclusion for women in the unorganized sector would require a multi-stakeholder approach involving governments, financial institutions, fintech players, and community organizations.

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