



Changing Dynamics of Household Savings: A Study on Women Empowerment through Gruhalakshmi Scheme

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DOI : <https://doi.org/10.5281/zenodo.17370795>

ARTICLE DETAILS

Research Paper

Accepted: 01-09-2025

Published: 25-09-2025

Keywords:

*Gruhalakshmi Scheme,
Women Empowerment,
Household Savings, Gender
Equality, Social Welfare.*

ABSTRACT

The Gruhalakshmi Scheme, launched by the Government of Karnataka in 2023, is a flagship social welfare program aimed at empowering women by recognizing them as heads of households. The scheme provides eligible women with ₹2,000 per month through Direct Benefit Transfer, ensuring transparency and financial inclusion. This study explores the impact of the scheme on savings, living standards, and women's empowerment in Tumkur City using descriptive research design with 50 respondents selected through random sampling. Results indicate improvements in household financial security, decision-making ability, and women's social recognition. Many beneficiaries also reported increased savings and participation in income-generating activities. Challenges included technical issues during registration and limited awareness. The findings suggest that Gruhalakshmi has strengthened women's economic independence and contributed to gender equality. Linking the scheme with skill development, savings programs, and entrepreneurship can further enhance its effectiveness.

INTRODUCTION

The Gruha Lakshmi Yojana is one of the most impactful social welfare schemes introduced by the Government of Karnataka in 2023. This scheme aims to recognize and support the role of women in households, especially those engaged in unpaid domestic labor. Through this initiative, the government



offers a monthly financial aid of ₹2,000 to women who are recognized as heads of their families. The primary goal of the Gruha Lakshmi Yojana is to promote economic independence, gender equality, and dignity among women, particularly homemakers who contribute significantly to the functioning of their families but often go unrecognized in economic terms.

The scheme is part of the “Five Guarantees” promised by the Karnataka government to improve the quality of life for the state’s residents. The other four schemes include Shakti (free bus travel for women), Gruha Jyothi (free electricity up to 200 units), Anna Bhagya (free food grains), and Yuva Nidhi (unemployment allowance). Together, these programs reflect a comprehensive approach to welfare, but the Gruha Lakshmi Yojana stands out for its focus on women’s empowerment and direct financial support.

Eligibility Criteria and Application Process

To ensure that the benefits of the Gruha Lakshmi Yojana reach the right people, the government has laid down specific eligibility criteria:

1. The applicant must be a woman and the head of the household
2. She should be a resident of Karnataka.
3. Only one woman per household is eligible.
4. The applicant must possess a valid BPL (Below Poverty Line) or Antyodaya ration card.
5. Government employees and income tax payers are not eligible for the scheme.

REVIEW OF LITERATURE

➤ **Mithun R. & Roopadarshini S.**

In their study titled “The Socio-Economic Transformation of Households in Urban Areas under the Gruha Lakshmi Scheme with Reference to Tumakuru Smart City”, the authors employed a mixed-methods approach to assess the scheme’s impact on urban households. They found significant enhancements in household income levels and notable improvements in women’s empowerment, indicating the scheme’s effectiveness in addressing socio-economic disparities in urban settings.

➤ **Umakanth S.**

Their research, “Assessing the Benefits and Effectiveness of Gruha Lakshmi (With Particular Reference to Opinions of Beneficiaries in Central Bangalore)”, analyzed beneficiaries’ perceptions in Central Bangalore. The study highlighted the scheme’s role in socio-economic



empowerment, financial assistance, and social development, emphasizing its positive reception among recipients.

➤ **Dr. Umakanth S.,**

In the paper “Analysis of Gruha Lakshmi and Gruha Jyothi Scheme of the Government of Karnataka”, the authors examined both schemes’ impacts on women’s empowerment and affordable housing initiatives. They discussed the schemes’ effectiveness in addressing housing needs and promoting gender equality through property ownership.

➤ **Varshith V.**

Their study, “A Study On Examining The Effectiveness Of State Government Freebies On Encouraging Savings And Investment Behaviour In Karnataka”, explored how various state government handouts, including Gruha Lakshmi, influence recipients’ saving and investment behaviours. The research indicated that such financial aids could foster long-term financial security and promote a culture of savings among beneficiaries.

OBJECTIVES OF THE STUDY

1. To Study the Demographic Details of the Respondents
2. To Understand the Changes in The Living Condition of Women
3. The Gruhalakshmi Yojana Aims to Promote Gender Equality by Recognizing Housewife for Their Contributions to Their Households
4. To Analyse The Utilisation Of Gruhalakshmi Scheme Finding by Beneficiality Households
5. To Know the Gruhalakshmi Contribution to Women Empowerment.

SCOPE OF THE STUDY

The scope of the study on the Gruhalakshmi Scheme focuses on evaluating its effectiveness in empowering women economically and socially through financial assistance and support services. It includes an assessment of beneficiary identification processes, the impact of financial aid on household income and women’s decision-making power, and the accessibility of services like subsidized LPG and free public transport (in Telangana). The study also covers the implementation mechanisms such as Direct Benefit Transfers, administrative efficiency, and challenges faced in execution. Ultimately, it aims to understand the scheme’s role in reducing poverty, promoting gender equality, and improving the quality of life for women in low-income households.

RESEARCH DESIGN



Type of research: Descriptive research

SAMPLE DESIGN

Sample Technique: simple random sampling technique is used for the study.

Sample size: The sample of 50 respondents are taken for the study.

Sample Unit: Study is conducted in Tumkur City only.

DATA ANALYSIS AND INTERPRETATION

Table 1.1 Showing Demographic Details of the Respondents

Particulars	Response	Percentage
Age	30 -35	16%
	36-40	30%
	41-50	24%
	50Above	30%
Qualification	SSLC	26%
	PUC	22%
	Under graduation	40%
	Post graduation	12%
Annual Income	10000 to 20000	38%
	21000 to 30000	42%
	31000to 40000	6%
	40000 above	14%
Occupation	Self employed	36%
	Occupation	26%
	Profession	18%
	Housewife	20%

(Sources: Primary Data)



Inference : The study shows that most beneficiaries are middle-aged women (36–40 yrs – 30% and 50+ yrs – 30%) with moderate education (UG – 40%). A majority belong to low-income groups (₹21,000–30,000 – 42% and ₹10,000–20,000 – 38%). Occupationally, many are self-employed (36%) or housewives (20%), reflecting inclusivity. Overall, the scheme effectively supports economically weaker, moderately educated women, enhancing financial stability and empowerment.

Graph 1.1 Showing Demographic Details of the Respondents

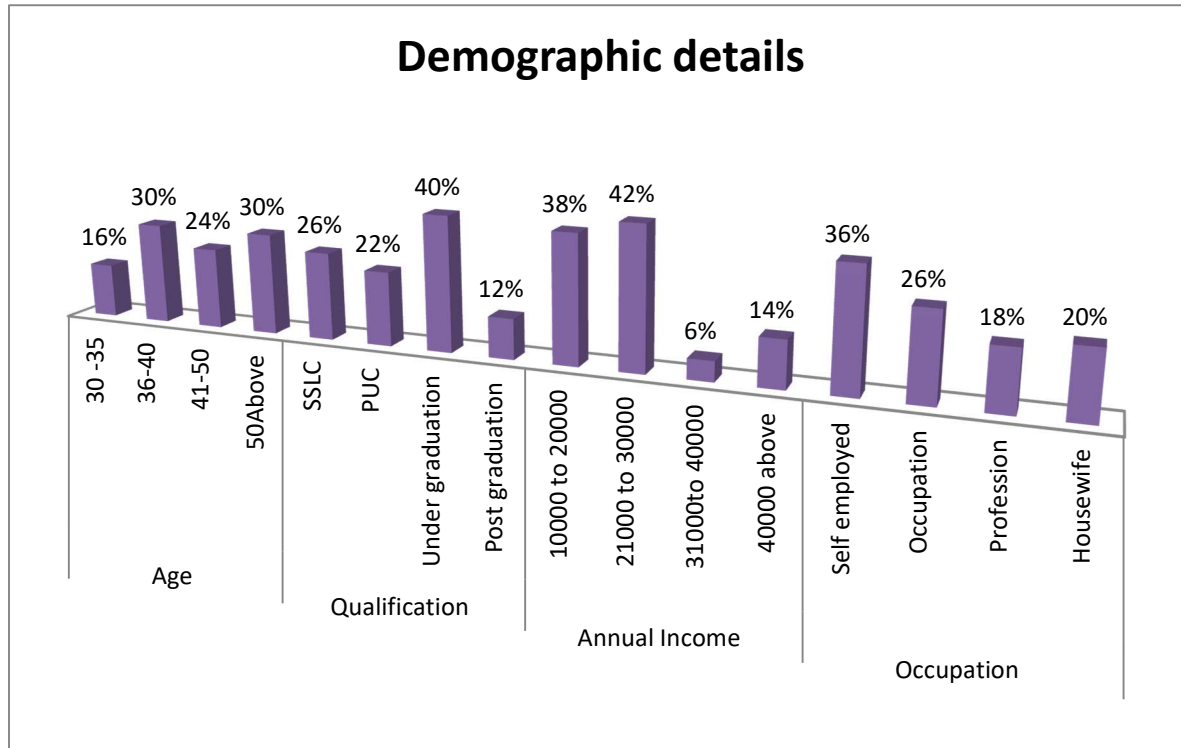


Table 1.2 Showing That Impact on Standard of Living

Standard of living	No of respondents	Percentage
Strongly agree	18	36%
Agree	9	18%
Neutral	10	20%
Disagree	5	10%
Strongly disagree	8	16%
Total	50	100%

(Sources: Primary Data)



Inference: 54% of respondents reported improved standard of living, 20% were neutral, and 26% did not notice any change, showing the scheme has a generally positive impact on household living conditions

Graph 1.2 Showing That Impact on Standard of Living

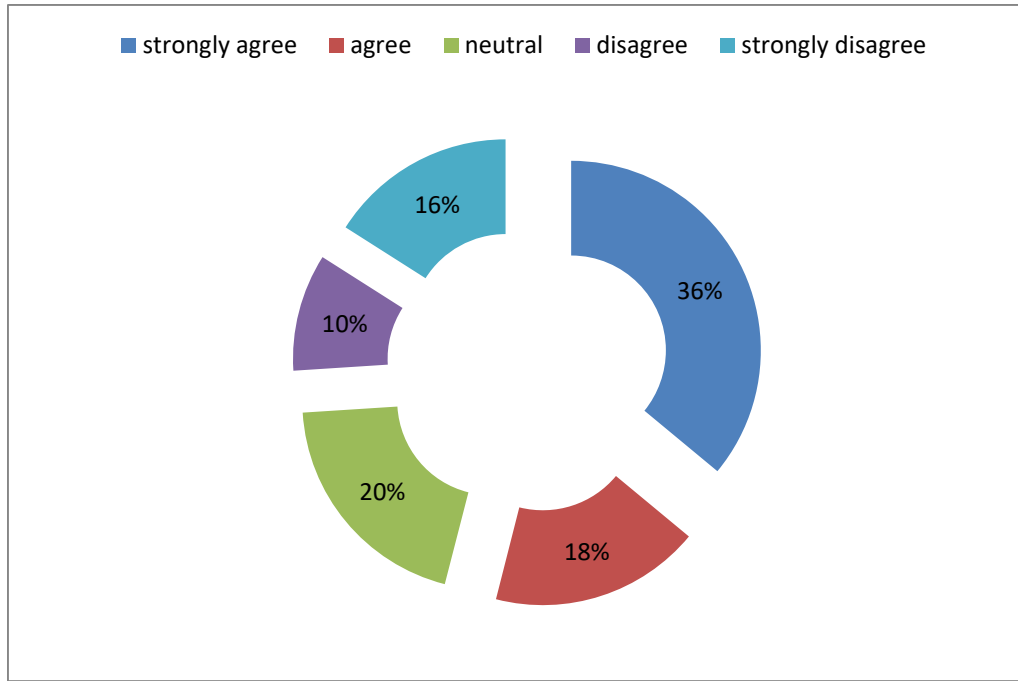


Table1.3 Showing That Promotion of Equality Through the Scheme

Gender equality	No of respondents	Percentage
Strongly agree	17	34%
Agree	6	12%
Neutral	12	24%
Disagree	10	20%
Strong disagree	5	10%
Total	50	100%

(Sources: Primary Data)

Inference: A total of 46% of respondents (34% strongly agree and 12% agree) believe the Gruhalakshmi scheme promotes gender equality. 24% are neutral, 20% disagree, 10% strongly disagree do not perceive any improvement. This indicates that nearly half of the beneficiaries see a

positive impact on gender equality, although a significant portion remains unconvinced, suggesting that the scheme’s effect on gender balance is **noticeable but not uniform** across all households.

Graph 1.3 Showing That Promotion of Equality Through the Scheme

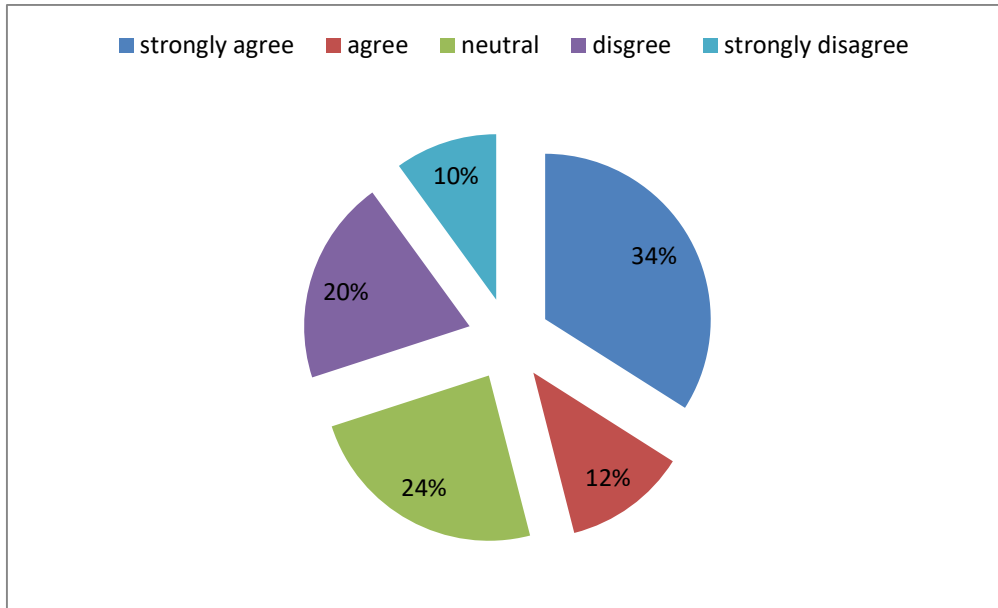


Table 1.4 Showing That Sufficiency Of ₹ 2000 Assistance for Family Needs

Family need	No of respondents	Percentage
Strongly agree	20	40%
Agree	16	32%
Neutral	5	10%
Disagree	3	6%
Strongly disagree	6	12%
Total	50	100%

(Sources: Primary Data)

Inference: A majority **40%** respondents **were strongly Agree 32% agree**, they feel that the ₹2,000 assistance under the Gruhalakshmi scheme helps meet their family needs. **10% remain neutral**, while **6% disagree, 12% strongly disagree** feel it is insufficient. This shows that the scheme largely supports household requirements, though a small portion finds the amount inadequate.

Graph 1.4 Showing That Sufficiency Of ₹ 2000 Assistance for Family Needs

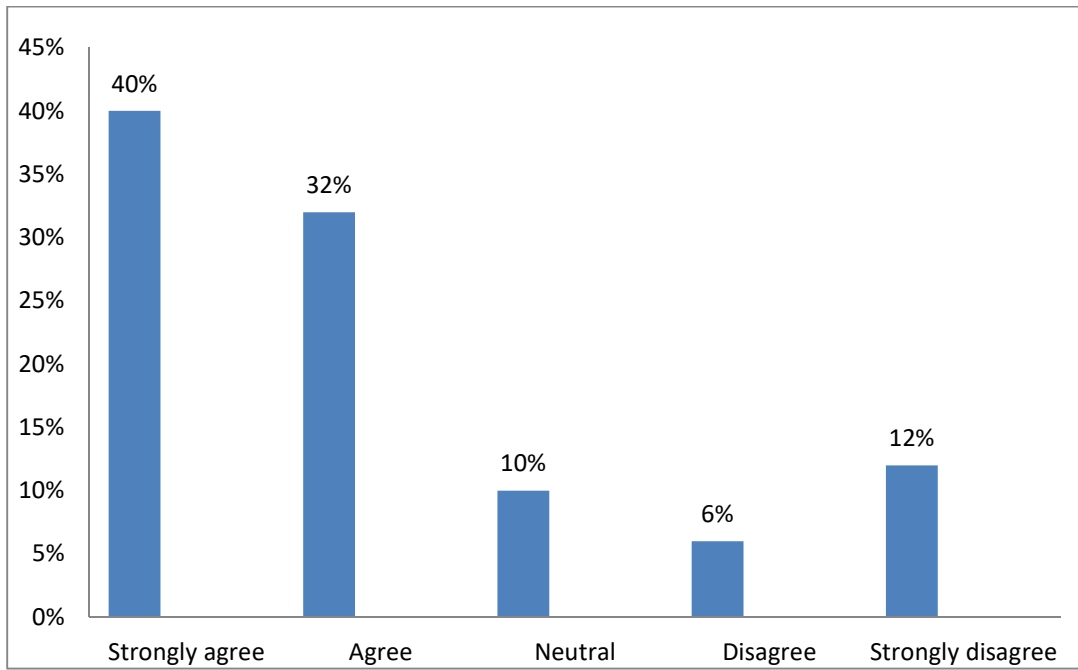


Table 1.5 Showing That Primary Use Of ₹ 2000 Assistance

Primary use	No of respondents	Percentage
Grocery and food	5	10%
Children’s education	20	40%
Healthcare	16	32%
Savings	6	12%
Others	3	6%
Total	50	100%

(Sources: Primary Data)

Inference: The financial assistance from the Gruhalakshmi scheme is primarily used for **children’s education (40%)** and **healthcare (32%)**, followed by **savings (12%)**, **grocery and food (10%)**, and **other purposes (6%)**. This indicates that beneficiaries prioritize **essential needs and long-term family welfare**, highlighting the scheme’s role in supporting critical household expenditures.

Graph 1.5 Showing That Primary Use Of ₹ 2000 Assistance

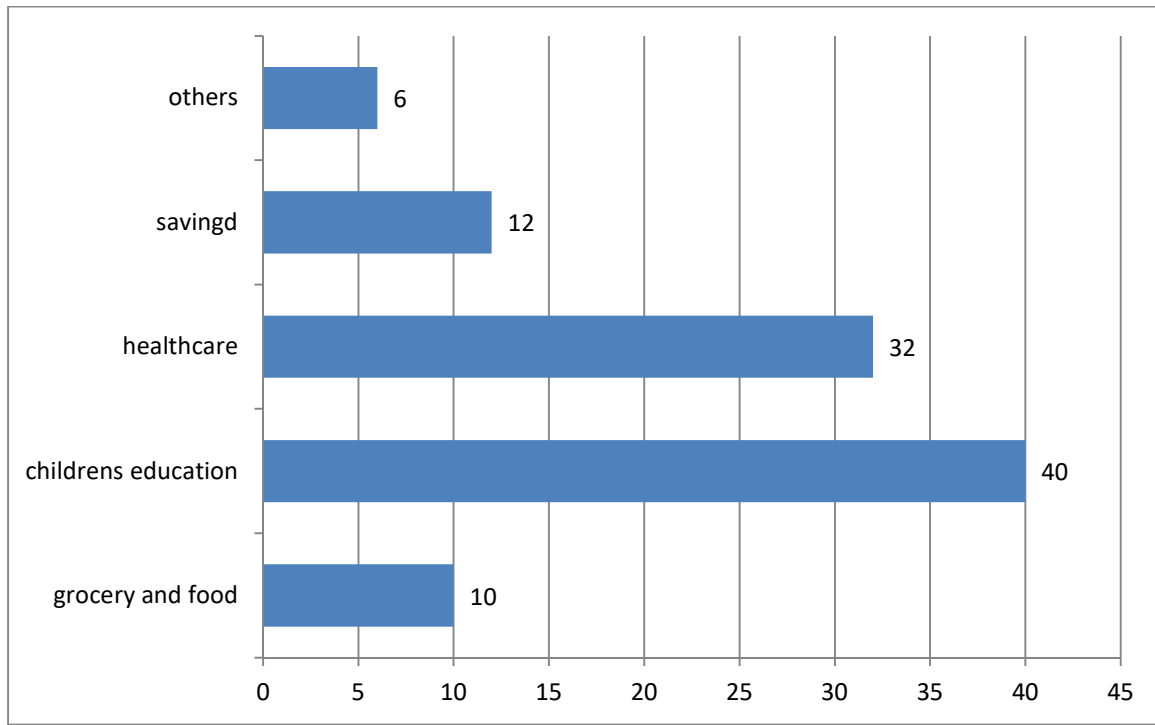


Table 1.6 Showing That Empowerment of Women Through the Scheme

Improvement	No of respondents	Percentage
Yes significantly	15	30%
Some what	22	44%
Neutral	6	12%
Not really	4	8%
Not at all	3	6%
Total	50	100%

(Sources: Primary Data)

Inference: A majority of respondents **30% significantly and 44% somewhat** feel that the Gruhalakshmi scheme has positively empowered them. **12% are neutral**, while **8% not really, 6% not at all** report little or no impact. This shows that the scheme has contributed to **women’s empowerment in most households**, though a small portion remains unaffected.

Graph 1.6 Showing That Empowerment of Women Through the Scheme

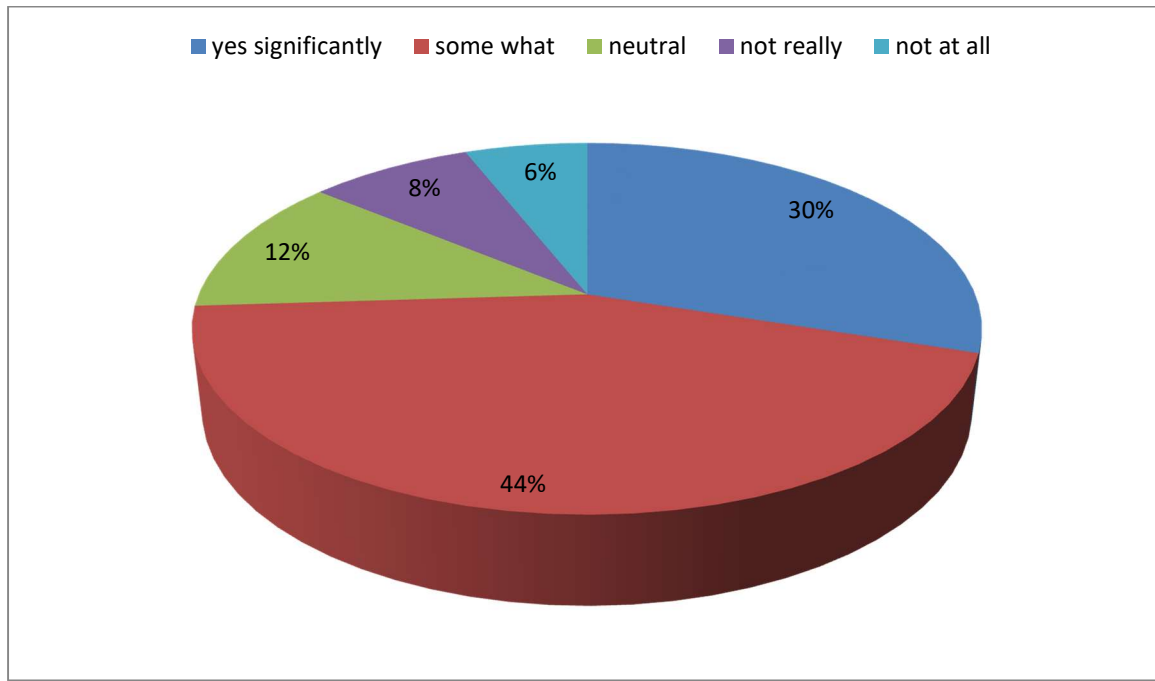


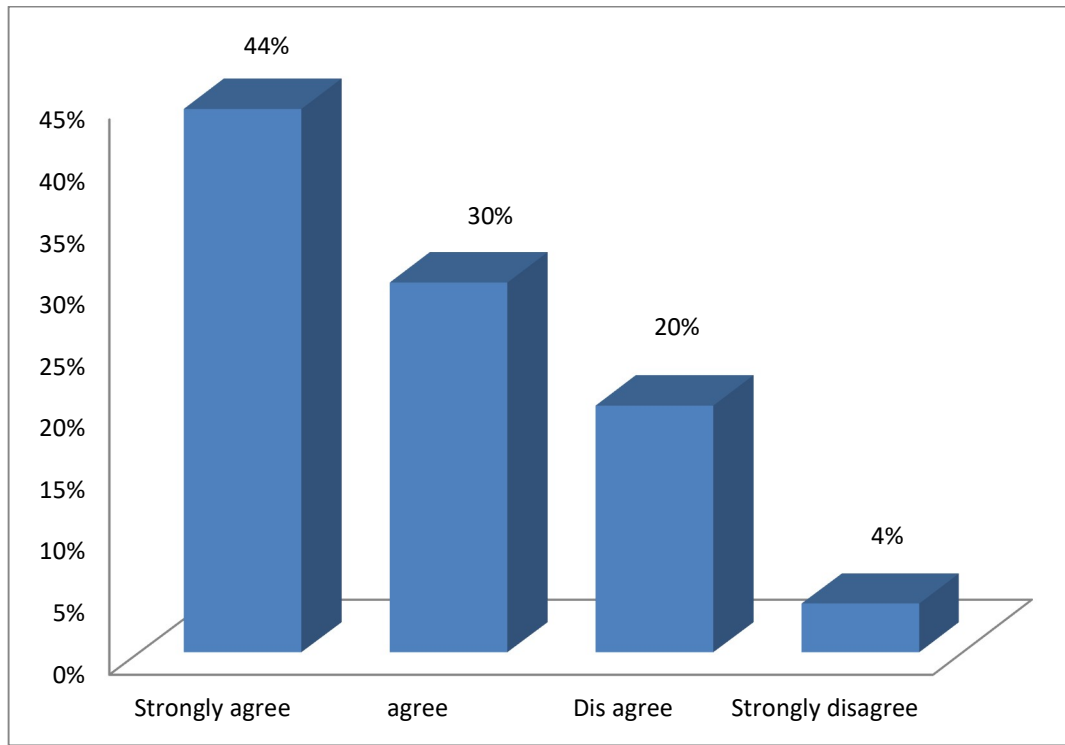
Table 1.7 Showing That Linking Scheme with Skill Development and Empowerment

Women be improved	No of respondents	Percentage
Strongly agree	22	44%
agree	16	30%
Dis agree	10	20%
Strongly disagree	2	4%
Total	50	100%

(Sources: Primary Data)

Inference: A majority of respondents **44% strongly agree**, **30% agree** believe that the Gruhalakshmi scheme has improved women’s status and well-being. **20% disagree**, **4% strongly disagree** feel otherwise, indicating that while most beneficiaries perceive a positive impact, a smaller portion did not experience significant improvement.

Graph 1.7 Showing That Linking Scheme with Skill Development and Empowerment



FINDINGS

- Most respondents are between the ages of 36-40 and 50+, with a majority having completed undergraduate education. They also mostly earn between ₹21,000 to ₹30,000 annually and are self-employed.
- Most respondents are aware of the Gruhalakshmi scheme and have directly received its benefits.
- The scheme is believed to have improved the standard of living for many respondents, with most agreeing it promotes gender equality.
- Most respondents feel the ₹2,000 financial aid supports their family’s needs and has helped with savings.
- Many respondents believe the scheme has positively impacted household expenses in other families they know.
- Most respondents agree that the Gruhalakshmi scheme should continue long-term.
- The scheme has increased respect for women as heads of the family and improved views on women’s financial independence and literacy.
- Many respondents feel the scheme has empowered women in their households and motivated them to take part in small-scale income-generating activities.



- Most believe the scheme should be linked with skill development programs for long-term empowerment.
- Receiving the monthly ₹2,000 has made women feel more secure and valued in their families.
- Most respondents agree the scheme has somewhat increased women's decision-making power within their households.

CONCLUSION

The Gruhalakshmi Scheme has emerged as a significant initiative in Karnataka's welfare framework. By channeling direct cash support to women heads of households, it has strengthened economic independence, reduced dependency, and improved household financial security.

Beneficiaries have not only gained confidence in managing expenses but have also reported growth in respect, decision-making, and participation in savings. Though ₹2000 may not cover all family needs, it plays a vital role in reducing financial stress.

The study concludes that while the scheme is impactful, its effectiveness can be amplified through integration with **skill-building, micro-savings, and entrepreneurship support**.

SUGGESTIONS

- Track and evaluate scheme impact regularly conduct regular Government sponsored service or audits to access how the fund are being used and whether they use helping in improving financial security.
- Link schemes to micro investment opportunities create special low risk savings or investment options like micro RD are public saving funds tailored to women receiving government benefits.
- Introduce compulsory saving components allow women to voluntarily option into a scheme where Rs 100 - 200 of monthly amount is directly saved in a recurring deposit are saving plan.
- Encouraging group saving through SHG promote self-help group shri Shakti group where women can pool part of their money and save or invest collectively.
- Incentivize consistent savings offers rewards or interest bonuses to women who save consistently for 6-12 months to build a strong saving culture.
- Timely disbursement of funds ensure that financial assistance reaches beneficiaries on fixed schedule each month without delays.



- Digital payment tracking provides SMS alerts and mobile app support for tracking payment and status of applications to avoid corruption.
- Promote women's entrepreneurship offers optional seed funding or low interest loans to beneficiaries in trusted in starting small business or home-based enterprises

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