



## Financial Inclusion & Urban Women's Financial Access via Banking Bharateeya Mahila Bank

Nandan .P, Assistant Professor , Department of commerce, Sri .H .D. Devegowda . G. F. G . College, Paduvalahippe, Holenarasipura taluq Hassan district , Karnataka state

### Abstract

Women who constitute 50% of the population. They account for 80% lower per capita credit compared to men. They are unable to offer security for borrowings given that property is invariably held in the name of the male member of the family. Gender bias in the banking sector is very much clear these many reasons led to the creation of cooperative banks which extended financial support to self-employed women in the unorganized sector including women in to financial sector has been mooted by opening this bank. This paper analyses the background for opening banks for women its advantages & its benefits & its strategy to make women economically empowered. .

**Key Words:** Women banks, Economic empowerment, Financial literacy

### Introduction

BMB Banks focus on women & are staffed by women too. It is the first public sector bank set up by the government, while other banks came into being through the process of Nationalization. BMB though has opened branches in mega cities soon it will open 25% of its branches in unbanked areas where women population is significant. It will lend chiefly to women with an emphasis on funding for skills development to help in economic activity via small concessions on loans. The bank is looking at providing assistance through credit to set up day care

center & start organized catering services BMB will also tie up with NGOs & train women in various vocations.

Women constitute 50% of the population. They account for 80% lower per capita credit compared to men. They are unable to offer collateral for borrowings given that property is invariably held in the name of the male member of the family. Gender bias in the banking sector is very much clear these many reasons led to the creation of cooperative banks which extended financial support to self-employed women in the unorganized sector



including women in to financial sector has been mooted by opening this bank.

The existing public sector banks which have a fine network in rural areas suffered to completely focus on women. One of the primary objectives is the financial inclusion of India unbanked women, underprivileged & rural women. Access to bank account is essential for women's economic empowerment as it provides a safe place to save money & opens up a channel to credit which can be used for investing in education property or business. Women lack access to finance partly because of illiteracy, partly because of remote locations, partly because of lack of documentation, partly because of patriarchal attitudes, partly because of less control on family budgets. Women who wish to start a small business & do not have technical & financial expertise or face discrimination at local banks when they try to get loans & other banking services.

### The Advantages of BMB

1. **Awareness about Gender Bias:** Introduction of BMB should reduce gender based barriers in the business environment.
2. **Awareness about business opportunities:** It should create business opportunities for women led institutions. It should form a

platform for private sector banks to improve working conditions in banks for female employees.

3. **Awareness about financial needs spotlighted:** These programs serve women oriented & women owned business establishments. Women access to banking & financial needs will be spotlighted through these banks. This will help market segmentation. Inclusion of women in community relationships.
4. **Awareness about financial capabilities:** This will support trainings of business skills & financial capabilities which will provide business case of equitable economic opportunities for women.
5. **Awareness about financial literacy:** These banks will support financial literacy through trainings & workshops. This will play the role of a catalyze for other banking partners. (Business line article on Bharateeya mahila bank 2013 July).
6. **Awareness about women's economic needs:** This will offer ground breaking research towards women's economic needs. This will connect worldwide policy makers to tag them to a strong policy allocation. This will help in opening up access to women & enable them to manage their finances in a way that meets their priorities. This will also answer key challenges faced by the



country in achieving financial inclusion of women. This will supports women entrepreneurs. Women who are considered as secondary in techno savvy such as online banking mobile banking network banking RTGS etc . the process of remittances taking DD , payments filling up challan money transfers etc will be applicable.

7. **Awareness About Consumer Rights** -They will know consumer protection rules & regulations. This will increase in their financial capability higher levels of savings & improved financial management. Women would get access to opening bank accounts, getting loans, registering small business, establishments, entering into tie ups, with other organizations .initiating legal proceedings, business deals , partnerships, amalgamations etc. (Business line article on Bharateeya mahila bank 2013 July).These banking activities would acquaint her with awareness about banking transactions. This will make her self-reliant & her dependency on men either husband, son, or father would gradually decline. This will finally lead to gender equality & empower women to develop community partnerships for development (Business line article on Bharateeya mahila bank 2013 July).

### The Strategy

1. **Not Targeting only Metros:** It should have good extensive network in cities where employed women are more only targeting metro cities is not enough.
2. **Good Strategies to Attract Deposits:** It should attract deposits from all including men & women. Women who wish to start a small business & do not have technical & financial expertise or face discrimination at local banks when they try to get loans & other banking services
3. **Focus on Marginalized Groups:** Its lending focus should be marginalized women & financial inclusion of India unbanked women, underprivileged & rural women. It should conceive innovative ideas encouraging better banking with them primarily because they don't have literacy. Gender equality & empower women to develop community partnerships for development. These banking activities should acquaint her with awareness about banking transactions. This institution should make her self-reliant & her dependency on men either husband, son, or father would gradually decline.



4. **Recruit Personnel & Experienced Staff:** As the public sector banks are suffering from staff shortage BMB should focus on recruitment of staff. IT should recruit experienced staff.
5. **Provide technical & advisory assistance.** Through technical/advisory assistance and lending support, BMB should work to ensure the full potential benefits of the financial inclusion for women .By increasing access to finance & markets by partnering with developing countries & financial institutions it should channelize global standards.
6. **Free From Bureaucratic Hassles:** It should not create more bureaucratic hassles for women or end up as another public sector undertaking. As the bank has published high interest with savings deposits it should maintain the same to give a positive paradigm. Lending rates should be pushed up

**Conclusion:** BMB would be a handy tool in empowering women. By reducing gender based barriers it will support

inclusion of women in community relationships. Financial literacy will help women to become financially viable in dealings. Finally it will inspire women with entrepreneurial skills & will address all gender related aspects of women empowerment. This will offer ground breaking research towards women's economic needs. Access to banking services is essential for women's economic empowerment as it provides a safe place to save money & opens up a channel to credit which can be used for investing in education property or business & this bank should become a icon in economic empowerment of women.

#### References

1. Bharateeya mahila bank official website 2014
2. Bharateeya mahila bank - All you need to know about first all women bank- 2013
3. The Hindu article in Bharateeya mahila bank 2013 august
4. Business line article on Bharateeya mahila bank 2013 July
5. Business standard article dated 12-07-2013