

CHAPTER VII

SUMMARY, CONCLUSIONS AND POLICY IMPLICATIONS

The endeavour of this comprehensive study on gender in banking is to generate evidence which could serve as benchmark data for future research. It also provides a conceptual framework for conducting an in-depth inquiry into gender analysis of banking operations. The focus of the enquiry is to ascertain the extent and the dimensions of male and female participation in two major banking parameters, viz., deposits and advances, measure the gender differentials in respect thereof and track the growth profile of female deposits and advances. Attempt is also made to examine the impact of two key economic indicators, viz., female workforce participation and female literacy, on women's participation in banking operations. Finally, policy measures and strategies are suggested for reaching out to women in larger numbers and as fast as possible. It is hoped that the generation of gender relevant information and knowledge will contribute towards sensitising the banking system to the specific and special banking needs of women.

From the anecdotal evidence and a-priori assumptions, the following set of hypothesis was generated - (1) female participation in the banking sector is growing; (2) there is significant gender differential in bank deposits; (3) gender differential in case of credit is more than that of deposits; (4) when women are focussed through special schemes & programmes, female participation rate in banking is higher; (5) female borrowers have lower default rates than male borrowers and hence are better credit risk; and (6) female literacy and female workforce participation are factors having positive influence on female participation in banking.

For analysing gender in banking operations and to examine the problem in the specific context of the objectives of this study, we selected the state of Gujarat in the

Indian federation. Gujarat has a vibrant economy, a well developed base of banking infrastructure, a wide spread base of small & micro enterprises as also trading activities. Further, the state also has a strong co-operative movement with good measure of participation from females (their participation in the milk producers' and marketing federation in Kheda district is exemplary). Further, with literacy levels higher than the national average, both in case of persons as also females and greater female autonomy, the state of Gujarat was found to be ideal for studying gender in Banking operations as also assessing the factors that influence gender participation in banking business. Our analysis has provided further justification for selecting Gujarat, as the female share in individual deposits of Bank 'X' is almost similar to the all India ratio of 21%

Owing to the limitations of the availability of secondary data as also being a single handed study, this study has been limited to only one nationalised commercial bank. Selection of the commercial bank 'X' from out of all the nationalised banks, was done on the basis of balance sheet size, branch network, volume of business and profit position. Among the nationalised banks, the sample bank topped the list in terms of volume of business, average working funds and gross profit for the year ended March 1994. In respect of branch network and net profit, the bank ranked third.

The data of Bank 'X' in respect of Gujarat state was obtained for all districts and within districts, further disaggregated for M/U and SU/R areas. Further, macro level aggregate data was also obtained for all the states where Bank 'X' has branches. For the purpose of assessing the change in gender participation over a time span and capturing its various complexities, a survey was conducted and data collected through an interview cum questionnaire method from sample branches covering a span of -5- years for the financial years ending March 1993 to March 1997.

For the selection of branches in Gujarat, two stage sampling technique was used. In the first stage, selection of districts was done, taking two districts each from the three administrative blocks of the bank. Of the two districts, one ranked highest in terms of volume of business (deposits + advances of All Scheduled Commercial Banks) and the other had the lowest volume of business. In the second stage, branches (10% of the population, i.e., total branches of the bank in Gujarat state), were identified from the sample districts through the stratified random sampling method. Accordingly, data was obtained from -65- branches spread over in the six districts of Ahmedabad, Surendranagar, Baroda, Panchmahals, Surat and Dangs. However, two more branches from Bulsar district were added to the sample list on account of their being identified at the national level for the implementation of a specially designed female focussed scheme (other than the Government sponsored programmes) launched by the bank in its efforts to reach out to women, taking the number of sample branches to -67- spread over in the seven districts of Gujarat.

The study is based on both primary and secondary data. The secondary data was taken from the Census Report 1991 and Basic Statistical Returns (BSR 1-A & 1-B and BSR 2) of Bank 'X'. Data in respect of literacy and female workforce participation in the various states of India and within the state of Gujarat, for various districts was obtained from the Census Report 1991.

The data in Basic Statistical Returns (BSR 1-A & 1-B and BSR 2) of Bank 'X' was obtained for two financial years 1995-96 and 1996-97. For the purpose of the study, the average of the two years was taken for all the parameters so as to even out the fluctuations in any one given year. The statewide/ districtwise data on advances accounts and outstanding amount, both for total as also non-performing advances, was obtained from the Return BSR-1A (for credit limit of over Rs.25000/-) and BSR-1B (credit limit of Rs.25000/- and less). The data in respect of deposits was obtained from the Return BSR-2 Part I of the Bank.

In any research endeavour, for the scientific analysis of data as also for testing the various hypothesis, a set of statistical tools / methods is employed. Average and percentage method was used to quantify gender differentials in deposits and advances as also assess temporal trends in gender participation. Gender differentials were also measured by the X^2 test method. The technique of Rank correlation coefficient (R) was used to test the hypothesis No.6, i.e., female literacy and female workforce participation are factors having positive influence on female participation in banking. 'R' has been used to establish the relationship of deposits/ advances accounts & outstanding amount with workforce participation and literacy levels. To further reinforce the results of Rank correlation coefficient, multiple regression was used and 't' test was applied to know the significance of difference between means of the variables, i.e., female/ male accounts & amount with female/ male workforce participation & literacy levels.

Measurement of gender differentials in deposits/ advances was largely done in terms of every 100 account canvassed and/or every Rs.100/- amount canvassed. The gender ratios as also differentials were studied at all India level, at Gujarat state level and at district level in the state of Gujarat.

The all India analysis of deposits revealed that nearly 97% of the total deposit accounts were from the individual category, the remaining 3% accounts being either Inter-bank, Institutional or Trust deposit accounts (hence deemed to be gender neutral). The individual category deposit accounts corresponded to 82% of the total outstanding deposit amount. Female account holders constituted nearly 25% of the accounts and over 21% of the outstanding amount in the deposits under the individual category.

An investigation into female contribution to deposits under various categories, i.e., Current, Saving Bank and Term deposits, revealed that their participation was largely

in the Saving Bank and Term deposits. The share of female deposits was quite low in Current deposits category for the obvious reason such deposit accounts are largely maintained for meeting the day to day expenditures of business, trade and other commercial operations.

The study revealed that for every Rs.100/- canvassed by the Bank, Rs.14/- was under Current category, Rs.22/- was under Saving Bank and Rs.64/- was under Term category. In case of every Rs.100/- canvassed from men, Rs.7/- was under Current category, Rs.25/- under Saving Bank and Rs.68/- under Term category, while in case of every Rs.100/- canvassed from females, Rs.1/- was under Current category, Rs.27/- under Saving Bank and Rs.72/- under Term category. The marked preference of females for term deposits has been corroborated by earlier studies (Elavia and Chellani - 1995, Kaplan and Romal - 1992).

Categorywise analysis of deposits revealed that Current deposit accounts from individuals were 52% of the total Current deposits, which aggregated to about 36% of the total outstanding Current deposits. The share of male in the individual Current deposit accounts was 93% and remaining 7% was the share of females. As regards outstanding amount under current deposits, females constituted 5% of the individual outstanding current deposit amount (share of females in the total current deposit amount was 1.91%).

As regards Savings Bank deposits, 99% of the account and 94% of the outstanding amount were mobilised from individuals. The share of males in S.B. accounts of individuals was 76% and in outstanding amount the same was 77%. Females had a share of 24% in accounts and 23% in the outstanding amount in the S.B. deposits of individuals.

In case of Term deposits, deposits from individuals constituted 98% of the total Term deposit accounts and 88% of the total outstanding amount. The male/ female ratio in

Term deposit accounts was 72 : 28 and in case of outstanding amount the said ratio was 78 : 22.

The average amount per account in case of females was observed to be Rs.25735/- under current deposits, Rs.4326/- under S.B. deposits, Rs.28305/- under term deposits and Rs.11344/- under total deposits. In case of male accounts, the corresponding figures were Rs.32435/-, Rs.4821/-, Rs.38198/- and Rs.13960/- respectively, under current, S.B., term and total deposits.

While the average amount per account of the males was higher than that of females under all the categories, the differential is observed to be highest in case of Term deposits (Rs.9893/-) followed by Current deposits (Rs.6700/-). The gender differential in the per account outstanding amount in Total deposits was Rs.2616/- and under S.B. deposits, the same was observed to be lowest at Rs.495/-.

The findings at the all India level were validated in the gender analysis of deposits for Gujarat state as also across the districts of Gujarat. The deposits of individuals constituted 97.38% of the total accounts and 86.72% of the total outstanding amount of the bank in Gujarat state. The share of females in the individual deposits was 24.67% in the number of accounts and 21.95% in the outstanding amount (which corresponds closely with the all India ratio of 24.85% and 21.18% respectively, of the individual accounts and amount).

The share of females in individual Current deposits was 6.68% in the number of accounts and 5.14% in the outstanding amount in Gujarat state. As in case of the all India level, participation of women was found to be much better in Savings Bank as also Term deposits. Women constituted 24.47% and 22.88% of the accounts and amount respectively, of the individual S.B. deposits. The female share in Term deposits was even better at 27.20% and 23.14% of the individual accounts and amount, respectively.

The analysis of gender ratios and differentials in Gujarat state was further extended to study female participation in the rural/ semi-urban areas vis-à-vis metro/ urban areas. The findings reveal that the participation of females, was higher both in terms of account as also amount in the metro/ urban centres, the difference being more pronounced in case of current deposits. However, female deposits in S.B. category as percentage to individual deposits was observed to be marginally lower at metro/ urban centres as compared to rural/ semi-urban centres. These findings were also corroborated in the analysis of the -67- sample branches.

The consolidated position of the -67- sample branches reveals that over the years, the share of females in the individual category was steadily rising under all segments, even when the share of the individual deposits in the total deposits was stagnant or declining. The share of females in the outstanding individual deposits increased from 5.02% at end March 1993 to 8.53% at end March 1997 under current deposits, from 20.20% to 23.04% in S.B. deposits, 18.46% to 23.09% in term deposits and 18.10% to 22.17% in total deposits. The rising participation was also reflected in the higher annualised growth during the five year period in female deposits vis-à-vis male/ individual deposits. As against 15% growth per annum in the total outstanding deposits of men during the five year period 1993 to 1997, the growth rate in case of female deposits was observed to be at a higher 25%.

In the area of advances, unlike in case of deposits, the share of advances granted to individual category was observed to be quite low in terms of outstanding amount, though it was substantial in terms of number of accounts. Out of the total advances accounts, as much as 92% accounts were granted to individuals and the remaining 8% accounts were granted to units under the categories - Public sector/ co-operative units/ Private/ Joint sector or to foreign Governments and foreign banks. As regards the outstanding amount, however, the share of individuals in the total credit was merely 19%.

Total advances have two components, (1) 'accounts with credit limit of Rs.25,000/- and less' ('L25') and (2) 'accounts with credit limit of over Rs.25000/-' ('M25'). It was observed that while advances in the category 'M25' comprised 16% of the total accounts and 92% of the outstanding amount, those under 'L25' category constituted 84% of the total number of accounts and 8% of the total outstanding amount.

Almost the entire part of the accounts as also amount in 'L25' category was given to individuals. As much as 97% of the accounts with outstanding credit aggregating to 98% of the total outstanding amount in the 'L25' category were given to individuals. However, in case of 'M25' category, though a sizable portion of the accounts was granted to individuals (69%), the outstanding amount to individuals constituted merely 12% of the credit under the 'M25' category.

Genderwise segmentation of the advances data revealed that out of every 100 credit accounts granted to individuals, 82 were given to males and 18 to females. Similarly, with regard to the total outstanding amount, out of every Rs.100/- outstanding credit, men received Rs.87/- and women Rs.13/-. The share of females in total outstanding accounts and amount was even less at 16% and 2% respectively, as compared to 76% and 16% respectively, in case of males.

The percentage share of male accounts in the advances under 'L25' was 79%, while that in outstanding advances was 81%. In case of females, their share in the total accounts under 'L25' was 18% and in the outstanding amount under 'L25' the same was 17%. As regards advances granted under 'M25' category, out of the total number of accounts granted to individuals, males had a share of 90% in both accounts as also outstanding amount, while females received 10%.

An analysis of the proportionate share of loans under 'L25' and 'M25' in the total loans granted to males/ females shows that women were by and large concentrated in

the small loan segment. Out of every 100 advances accounts granted to men, 87 were in 'L25' category and 13 in 'M25' category. In case of women, 93 accounts were in 'L25' and 7 in 'M25' category. Likewise, out of every Rs.100 credit granted to men, Rs.37/- was under 'L25' and Rs.63/- under 'M25', in case of women the amounts were Rs.53/- under 'L25' and Rs.47/- under 'M25'. The concentration of women in the 'L25' category is explained by the fact that many of the Government sponsored programmes have either certain targets specified for females (IRDP and SJSRY), or there are directives to accord preference to women (DRI, PMRY, SUME etc.) There are also female centred schemes like DWCRA and DWCUA. Most of these schemes, however, accord loans of small size.

The gender disparity is also reflected in the average outstanding amount per account. The average amount per female account under 'M25' was found to be Rs.84990/-, as against Rs.88940/- in case of males. In case of 'L25', average amount per female account was Rs.7280/-, while in case of male accounts the same was Rs.8090/-. The average amount per male account in total advances (i.e., both 'L25' & 'M25') was Rs.18740/- and in female accounts the same was Rs.12800/-.

While in case of deposits, there was close correspondence between the all India ratios (24.85% of the individual accounts and 21.18% of the amount) and that of Gujarat state (24.68% of the accounts and 21.95% of the amount), in advances the share of females in the individual advances at 10.46% in Gujarat state was lower than the all India ratio of 12.70%.

Genderwise analysis in respect of advances originating from metro/ urban and semi-urban/ rural areas in Gujarat state reveals a distinct bias in favour of SU/R centres not only in terms of number of accounts but also in terms of outstanding advances. As much as 75% of the total outstanding amount granted to men and 71% to women was in SU/R areas. However, variations were observed in the credit under 'L25' and 'M25' categories. While in case of outstanding credit under 'L25' category both for

males as also females, 83% was from SU/R areas, under the 'M25' category, females had relatively a higher participation in the M/U areas. It was observed that 42% of the credit granted to women under 'M25' was at M/U centres as against 29% in case of men.

An areawise examination of average amount per account reveals considerable variation in the M/U and SU/R areas. In case of total advances, males had an average outstanding balance of Rs.32660/- at M/U centres and Rs.18490/- at SU/R centres, while in case of females the corresponding amounts were Rs.26670/- and Rs.9040/-, respectively. Though under all categories and in all areas, the average amount in respect of males was observed to be higher than females, under 'L25' advances category, the average outstanding balances in M/U areas for females at Rs.10590/- was found to be marginally higher than male average of Rs.10100/-. Similarly, under all categories, the average outstanding amount at M/U centres was observed to be higher than that at SU/R centres, in case of credit to women under 'M25', the average amount of Rs.83390/- at SU/R centres was observed to be higher than the amount of Rs.80470/- at M/U centres.

Notwithstanding the persistence of low share of females in the advances granted to individuals, the five year trend at the sample branches reveals a rising trend. The combined position of the -67- sample branches shows that the share of females in the outstanding individual advances under 'M25' category increased from 7.66% at end March 1993 to 11.10% at end March 1997, under 'L25' the share increased from 10.70% to 16.30% and under total credit from 8.95% to 13.07%.

With a view to examining the repayment performance of males vis-à-vis females and assessing the 'credit risk' of the genders, the outstanding data on non-performing advances was taken as a proxy, since overdue data even where available, is not very reliable. Further, since the gender segregated data was available only for accounts

with credit limit of over Rs.25000/-, the gender wise analysis of NPAs was done only for the 'M25' category advances.

Genderwise classification of NPAs revealed that NPAs as percentage to male accounts stood at 16.29% and the amount as percentage to the outstanding advances granted to males was 15.88%. Female NPA accounts as percentage to female accounts on the other hand was at a much lower 9.87% and the corresponding NPA amount was just 9.73%. It is clear that incidence of NPAs is much higher in case of men than that of women. Looking at it another way, males who constituted around 90% of the accounts as also amount granted to individual loanees, contributed to around 93% of the NPA accounts and amount in the individual category. In case of women it was observed that with a share of around 10% of accounts and amount granted to individuals, they contributed much lower to NPAs (less than 7% of the account and amount under NPAs in the individual category).

With the objective of establishing the relationship of workforce participation and literacy with gender participation in bank deposits as also credit, rank correlation coefficient was worked out both at all India level as also for Gujarat state. The results revealed high correlation values. These results were also corroborated by the regression analysis and the 'T' test administered to measure the level of significance. The statistical analysis of relationship between female accounts/ amount with female workforce participation and female literacy levels as also male accounts/ amount with male workforce participation / male literacy levels for both all India and Gujarat state for deposits and advances yielded high R^2 with P values < 0.05 .

HYPOTHESES TESTING :

Data from the sample branches covering the period 1993 to 1997 reveals that the share of females in the individual deposits increased from 18.10% at end March 1993 to 22.17% at end March 1997 and in individual advances the same increased from 8.95% to 13.07%. Further, higher annualised growth in case of females in both deposits and advances was noticed at the sample branches during the five year period. Thus, our analysis has upheld the hypothesis No. 1, i.e., female participation in the banking sector is growing.

The all India data of Bank 'X' reveals that women had a share of 24.85% in accounts and 21.18% in the outstanding amount of individuals. X^2 test to assess the magnitude of discrepancy between theory and observation (i.e., observed and expected levels) in respect of female outstanding deposit amount at the all India level as also at the Gujarat state level yielded high value of X^2 significant at 0.05% level. The low share as also considerably lower average deposits per female account under all categories, Current, Savings, Term as also Total, validate hypothesis No. 2, i.e., there is significant gender differential in bank deposits.

Though women constitute 25% of the deposits accounts and 21% of the outstanding individual amount, their share in the advances accounts granted to individuals was merely 18% and in the outstanding amount the same was 13%. In case of advances under 'M25' category, the share of females was even lower at 10% in both accounts as also amount. X^2 test to assess the magnitude of discrepancy between the observed and the expected levels in respect of female outstanding advances amount, both at all India and Gujarat state level yielded high X^2 value significant at 0.05% level. Similarly it was also observed that the average amount per female account was much lesser than that of the male account. Thus, hypothesis No.3, i.e., gender differential in case of credit is more than that of deposits is also upheld.

The much higher concentration of women in the 'L25' category advances, under which Government sponsored programmes like IRPD, DRI, DWCRA, SJSRY etc. are included, compared to other category of advances, i.e., accounts with credit limit more than Rs.25000/- (M25), is indicative of the fact that when women are focussed through special schemes & programmes, female participation is better. Survey of Small Borrowal Accounts, March 1993 conducted by Reserve Bank of India estimates the share of women in the total outstanding credit amount under IRDP at 17.5%, DRI at 23% and SUME at 19.2%. Eventhough, the share of women under these schemes was nowhere near the targetted levels (40% under IRDP), their participation rate was better in these schemes than in the general banking stream. Hence, our analysis confirms hypothesis No.4, i.e., when women are focussed through special schemes & programmes, female participation rate in banking is higher.

As against 16% of the accounts and outstanding amount under 'M25' granted to men becoming NPA, the incidence of NPA was much lower in case of women (corresponding ratios were around 10%). Thus, the hypothesis No.5, i.e., female borrowers have lower default rates than male borrowers and hence, are better credit risk, is validated.

The rank correlation coefficients between account and amount in both deposits and advances with workforce participation, and literacy levels of the males and females turned out to be high and positive. These results were also corroborated by the regression analysis and the 't' test administered to measure the level of significance ($P < 0.05$). The hypotheses No.6, i.e., female literacy and female workforce participation are factors having positive influence on female participation in banking, has also been confirmed.

SUGGESTIONS :

Women's economic role has been recognised to have a transformative effect on the goals of both economic as also social development and their participation in economic activities has been recognised as being essential to the overall development of the economy. Improved statistical methods developed by United Nations show that 59 per cent of women in East Asia, 60 per cent in the former Soviet Union, and between 45 to 50 per cent of women in Southeast Asia and Sub-Sahara Africa are economically active (World Resources Institute, 1994-95). Nonetheless, women still continue to be trapped in the 'inside-outside' syndrome and a variety of socio-cultural factors results in the denial of their legitimate share in critical inputs for enhancing their productivity. The analysis in this study clearly indicates that nationalised commercial banks, seem to have overlooked the female segment, as is evident from the low level of female participation in the banking business. Thus, women are deprived of a 'critical input' - credit for pursuing productive activities.

Notwithstanding the impressive growth in the Indian economy during the second half of the 20th century, vast majority of the world's poor and dispossessed continue to live here. Poverty alleviation of the teeming millions below the poverty line through greater income generation and self employment programmes remains as urgent today as it was when India had embarked on the path of planned development. In as much as there is a gender dimension to the poverty problem, as also access to capital/ financial resources, there is a need for specific gender focus in policies and programmes at all levels. The notion that women are merely housewives and that their earnings are only supplementary in the family's total earnings, has also been falsified by the world-wide trends indicating movement away from traditional extended family structure to more female dependent households. It is also quite apparent that due to lack of access to waged employment, women take to small enterprises in the informal sector as part of the 'survival strategies', for themselves as also their families.

It is widely acknowledged that enhancing women's productivity will result in (1) higher aggregate income levels in poor households, (2) speed up economic growth through higher aggregate labour productivity, (3) better intake of food and improved health of the children as women contribute a much larger share of their earnings to basic family maintenance and increases in women's income translates more directly into better childcare and nutrition. The other indirect benefits would be reduction in fertility leading to slowing down of the population growth, reduce women's dependency and improve their overall status. In fact, the micro credit programmes pioneered by Grameen Bank, which are directed at the poor, more particularly women, are credited for the fall in poverty in Bangladesh from 59% in 1991-92 to 53% in 1995-96 and reduction in fertility rates from 6.1 births during 1980 to 3.4 births presently (Economist, 1998). Hence, enhancing women's productivity through income generation schemes is a critical and a strategic necessity for improving the living standards of the estimated 60 million Indian households (World Bank, 1991).

While some NGOs like, AMM, Mumbai, WWF, Chennai and Bangalore, SEWA, Ahmedabad (with branches at Delhi and Lucknow) have rendered yeoman service in devising successful programmes incorporating the basic savings cum credit needs of women, they are hampered by their limited reach. Banks on the other hand have phenomenal reach and with the right orientation can make a difference to the lives of poor women on a much wider scale.

In view of the findings of this study that (1) there is gender differential in banking operations and women are side tracked by banks, and (2) more importantly that women are better at savings and loan repayment than men and thus, they are better credit risk than men, a few suggestions are given for mainstreaming women in banking. The corrective measures as mentioned hereunder should be taken both at the supply and the demand side of banking operations :

1. The state sponsored programmes for banks to reach out to women such as IRDP, DWCRA etc., have achieved limited results, mainly due to lack of coordination between banks and state agencies. Their achievements could be improved by establishing suitable coordination facilities in bank itself or through NGOs.
2. In view of the promising results obtained from women focussed schemes of the sample bank at the two identified branches in terms of increase in the flow of credit to women, it is recommended that such women focussed schemes should be replicated on a larger scale at other centres also.
3. There is an urgent need to create greater awareness among the banking officialdom about the special and specific banking needs of women through various sensitisation programmes. One way of increasing gender 'sensitisation' among the bank officials/ staff could be through specially designed training programmes. Such programmes can begin by first 'defreezing' deeply entrenched attitudes and stereotypes about gender roles and then focussing on increasing the awareness to gender-linked issues in general, leading ultimately to enhancing their understanding of women's economic roles and their specific banking needs. Gender sensitisation cannot, however, be a one-shot event. To be successful, it has necessarily to be a long drawn-out process, involving both horizontal as also vertical spread. Most banks have adequately developed training infrastructure, with colleges at the apex level and training centres at regional/ zonal level. The issue of gender sensitisation can be integrated with all the basic Branch Management as also special training programmes conducted on credit. At the initial stage, help of outside experts would be desirable. Later on, however, in-house faculty will have to be trained to ensure continued inputs of training. Likewise, to begin with, such multi-level training programmes can be directed first to the Branch Managers, then followed up with training/ orientation programmes for credit officers and finally reach the line functionaries to be

effective. Women's research centres in various universities can be of great help in designing gender orientation training programmes.

4. Gender being a strategic issue, gender based interventions in institutions need to be carefully planned. Fruitful results would be forthcoming only if the planning process for such interventions are addressed simultaneously at the managerial as also organisational level. Since gender sensitisation involves change in attitude, work culture, organisational priorities and resource allocation, merely training alone would not adequately capture the range of issues that need to be tackled.
5. Successful credit programmes directed at women have clearly shown that 'credit plus' approach, involving technical training, inculcation of managerial skills, marketing linkages, provision of health care as also child care facilities in addition to credit, is a must if the problem of low participation of women has to be overcome. Since banks are ill-equipped to incorporate all these ingredients in their delivery system, involvement of NGOs, VAs and extension services is a must. Efforts must, therefore, be directed to identify viable and effective NGOs, seek out their involvement and streamline the interface between the NGOs and the banks, for a long term sustained partnership.
6. There is enough evidence to show that in extending credit to women, the group approach has to be favoured, particularly in case of small loans. Here again, NGOs can help in formulation of Self Help Groups. Since the group size of 15 to 20 prescribed under DWCRA has been found to be rather unwieldy, the formation of SHGs with membership of 5 to 10 persons is recommended. Lending to small groups of women by Grameen Bank in Bangladesh is a proven example of this measure. Further, savings linked credit schemes must be encouraged for financing the SHGs.

7. Since no system can work effectively without an effective monitoring system, it is suggested that multi-level 'Gender Cells' be created in the banks right from the apex level to district/ block level. These cells should not merely be units undertaking the function of compiling data for onward transmission but should work as link between branches, NGOs and the Government Departments and also be able to guide and direct the projects/schemes. Further, at the banking system level, national institutions like RBI and NABARD must also monitor gender development.
8. This study has thrown up some broad patterns about gender participation in banking at the macro level. The study also gives directions for future study. However, since each bank functions in a particular milieu and with certain operational ethos, it is necessary that bankwise enquiries are conducted for assessing the state of gender participation and devising corrective measures. Similarly, statewise studies could be useful in identifying the inter-regional variations and causative factors for the same, whether economic or non-economic. Banks would be well advised to undertake in-depth studies on various gender issues. One such issue, for example, could be the repayment rate of male/female, which ought to be investigated at greater lengths to ascertain the reasons for higher default of the genders in particular schemes/ in specific regions. The factors which lead to higher default, whether lack of income generation capacity of certain schemes, inadequacy of the loan amount, siphoning of funds, willful default etc. need to be investigated.
9. NABARD has been playing an active role in generation of evidence and conceptualising women focussed schemes. They should also initiate research enquiries through Universities and independent Research Institutions to give insights into not only the type and extent of 'differential female access' but also the multi-dimensional aspects of reasons and sources of such differential female

access. Ultimately, it is such research based enquiries that would help in shaping the nature of policy interventions at the macro as also micro levels.

10. Besides the measures for improving women's access to formal credit sector mentioned above, there is a need to address the issues and problems on the demand side of banking operations as well. Our study has shown that lower educational attainments and lower labour participation rates of females are important factors constraining female outreach of the banking system. Thus, state policy and programmes should focus on female literacy and mainstreaming them in the economic activity. According to a recent study of the World Bank (Arora, 1999), micro-credit programmes, with special focus on women, backed by complementary efforts such as literacy promotion and training for those who lack skills to make credit work for them, are envisaged as one of the important measures for poverty elimination in the third world.
11. At the bank level, deposits and more particularly, the loan application forms and procedures should be simplified and banking information should be popularised among females through NGOs, Mahila Mandals, village panchayats etc. Special delivery system should be built for providing supply and marketing support to women entrepreneurs for improving credit absorption.
12. NGOs and banks should organise road shows for gender sensitisation of the community and economic organisations. Seminars and workshops should be organised within institutions for focussing attention on gender issues.
13. Gender issues should also be made a part of the curriculum at the graduate level, both in social sciences as also physical sciences, so that awareness on such critical issues can be generated amongst youth, who will be part of future policy making and implementing machinery.

14. Last but not the least, gender issues should not be treated as mere add-ons nor relegated to a component in our planning system but made integral in the five year plans. Mainstreaming of gender can be achieved only if each of the programmes/ policies devised in our planning system undergo the test of 'gender audit' in terms of the impact they may have on the status of women in India. It would indeed be an important dimension of change, when the planning system would move away from a system of separate women's programmes, to the systematic incorporation of 'gender perspective' into the entire portfolio of development.

Reference

- Elavia, B H and D K Chellani. 1995. *Women's Participation in Banking Operations : Experience*. IBA Bulletin, July. p 27.
- Kaplan, Barbara J and Jane B Romal. 1992. *Household Economies : Who's saving money and why ?* PHOEBE : An interdisciplinary Journal of Feminist Scholarship, Theory and Aesthetics. Vol. 4 No. 1 - Spring, pp. 38-47.
- World Resources Institute. 1994-95. *World Resources - A Guide to Global Environment*. Wash. D.C.
- The Economist. 1998. *The Other Government in Bangladesh*. July 25th - 31st. p. 32.
- World Bank. 1991. *Gender and Poverty in India. A World Bank Country Study*. The World Bank, Wash., D. C. p. xvi.
- Arora C K. 1999. *Micro-credit backed by other efforts will help 3rd world : WB*. The Times of India, Ahmedabad, Jan. 16th. p. 13.