

ADDRESSING GENDER DISPARITIES IN ACCESS TO FINANCIAL SERVICES IN INDIA: INSIGHTS FROM DVARA E-REGISTRY

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India has made significant strides in expanding access to financial services in recent years, but gender disparities persist in the financial sector. Women continue to face significant barriers to accessing financial services, which limits their economic opportunities and financial independence.

According to the World Bank's Global Findex database, only 37% of women in India have an account at a formal financial institution, compared to 55% of men. This gender gap in access to financial services is among the highest in the world. Moreover, even among women who do have access to financial services, they often face discrimination and biases that limit their ability to fully participate in the financial system.

One of the main reasons for the gender gap in financial services is the persistent gender pay gap in India. Women, on average, earn less than men, which makes it harder for them to save money or qualify for loans. Additionally, women in India often have less formal education and lower levels of financial literacy, which can also limit their ability to access and effectively use financial services.

Another key factor is the lack of financial products and services designed specifically for women's needs. For example, women entrepreneurs and small business owners often face challenges in accessing credit, as many financial institutions require collateral or other forms of security that women may not have. Similarly, women may have unique needs related to savings and insurance, such as products that offer greater flexibility in payment schedules or lower premiums to account for differences in life expectancy.

The gender gap in financial services is not just a social justice issue, but also has economic implications. When women have access to financial services, they are more likely to invest in their own education, health, and business ventures, which can contribute to economic growth and development. In fact, a study by the International Finance Corporation found that closing the gender gap in access to financial services could add \$700 billion to India's GDP by 2025.

To address these issues, there are several steps that can be taken. First, financial institutions should prioritize efforts to reach and serve women customers, such as through targeted marketing and outreach programs. Second, policymakers should encourage the development of financial products and services that meet women's unique needs, such as flexible loan repayment terms or insurance products that cover maternity care. Finally, efforts to improve financial literacy among women and girls can help to ensure that they are equipped with the knowledge and skills to effectively use financial services.

In conclusion, addressing gender disparities in access to financial services is critical for promoting economic empowerment and gender equality in India. By recognizing and addressing the unique challenges that women face in accessing financial services, we can build a more inclusive financial system that works for everyone.

How Could Agrifintech Organisations Help?

In the current scenario, Agrifintech organisations can play a crucial role in minimizing gender differences in financial services in India by offering innovative and tailored financial products and services that address the unique needs of women farmers and entrepreneurs. Here are some ways in which agrifintech organizations can promote gender equality in financial services in India:

WOMEN FOCUSED PRODUCTS



Agrifintech organisations can develop financial products and services that are specifically designed to meet the needs of women farmers and entrepreneurs. For example, they can offer flexible repayment options, lower interest rates, and smaller loan sizes to accommodate the challenges that women may face in accessing collateral or other forms of security.

FINANCIAL LITERACY



Many women in India may lack formal education and financial literacy, which can be a significant barrier to accessing financial services. Agrifintech organizations can address this by offering financial literacy training programs and tools that help women to better understand financial products and services.

LEVERAGE TECHNOLOGY



Agrifintech organizations can leverage technology to increase access to financial services for women in rural areas, who may have limited access to physical bank branches. Mobile banking and digital payment platforms can be used to facilitate transactions and improve financial inclusion for women.

BUILD PARTNERSHIPS



Agrifintech organizations can work with women's organizations, self-help groups, and other community-based organizations to build trust and engage with women in rural areas. These partnerships can help to ensure that financial services are designed and delivered in a way that meets the needs of women.

ADDRESS BIASES



Agrifintech organizations can actively work to address biases and discrimination that women may face in accessing financial services. This can include training staff on gender sensitivity and ensuring that products and services are marketed in a way that is inclusive and respectful of women.

Dvara E-Registry Offerings

Dvara E-Registry through its interventions is committed to improve financial inclusion and access to credit for women farmers. Here are some of the interventions that Dvara E-Registry is doing to support women farmers in agri financing:

DIGITIZING LAND RECORDS:



Dvara E-Registry is working to digitize land records, which can help to provide women farmers with greater access to credit. This is because land is often used as collateral for loans, but women may face challenges in accessing credit if they do not have formal documentation of land ownership. By digitizing land records, Dvara E-Registry is helping to make it easier for women to access credit and other financial services.

DEVELOPING CREDIT SCORING MODELS:



Dvara E-Registry is developing credit scoring models that consider the unique circumstances of women farmers. This includes factors such as the size of the farm, the types of crops grown, and the household responsibilities of the farmer. By using these models, Dvara E-Registry could provide more accurate assessments of creditworthiness, which can help women to access credit more easily.

PROVIDING FINANCIAL LITERACY TRAINING



Dvara E-Registry is providing financial literacy training to women farmers, which can help to improve their understanding of financial products and services. This includes training on how to manage savings, how to access credit, and how to use digital financial services. By improving financial literacy, Dvara E-Registry is helping to empower women farmers and improve their access to financial services.

WOMEN AS CO-BORROWERS



Dvara E-Registry's lending program mandates women as co-borrowers to improve their access to credit and reduce risk for lenders. Women's inclusion as co-borrowers improves repayment rates and empowers them in financial decision-making, increasing their economic and social status.

All these interventions by Dvara E-Registry are helping to improve financial inclusion and access to credit for women farmers in India. By providing tailored financial products and services, improving financial literacy, and using technology to improve access to financial services, Dvara E-Registry is helping to promote greater gender equality and economic empowerment for women in agriculture.

**BANALATA DAS,
DASRATHPUR KRUSHAK KRISH-E FARMER PRODUCER COMPANY LIMITED
JAFARPUR, DASRATHPUR, JAJPUR, ODISHA**

Banalata Das is a resident of Jafarpur village in Dasrathpur block of Jajpur district, Odisha. She is a mother of two children. Her husband works as a daily wage labourer in Cuttack City. Their income was sufficient to cover their daily expenses, but she was not able to provide quality education to her children as good private schools charge exorbitant fees. Banalata was determined to give a better future for her children and decided to explore options to secure funds for their education.

In February 2022, she became a Dasrathpur Krushak Krish-E Farmer Producer Company Limited shareholder. The basic lure was to secure some amount of loan for children's education. The organisation staff explained the loan terms and repayment options in detail. After careful consideration, Banalata decided to take a loan of Rs. 30,000. She used the loan amount to pay for her children's school fees, books, uniforms, and other educational expenses. She also ensured that her children attended school regularly and received the best education possible.

With the help of the loan and her determination, Banalata's children did well in their studies and secured good grades. One of her children has received a scholarship, which further helped ease the financial burden on the family. Banalata is happy she could provide her children with quality education and secure their future.

She is currently repaying the loan in instalments, and her regular repayments helped her build a good credit score. She was now eligible for larger loans if she wanted to invest in a business or expand her small farm.

**YUMNAM MEMMA DEVI,
KAKCHING PROGRESSIVE KRISH-E FPO
WABAGAI, KAKCHING, MANIPUR**

Yumnam Memma Devi is a 45-year-old woman from the Kakching district of Manipur. She is a shareholder in the Kakching Progressive Krish-E FPO and has been actively involved in agriculture for the past decade. Yumnam owns a small plot of land where she grows various crops, including paddy, maize, and vegetables.

In 2022, Yumnam wanted to expand her farming activities and increase her crop yield. However, she faced a financial constraint as she did not have enough capital to purchase quality seeds, fertilizers, and other necessary inputs. Approaching a bank was also out of the question due to a lack of collateral and inadequate documentation, among other issues. She said that banks might have stringent loan requirements that smallholder farmer like her may not be able to fulfil.

She approached her FPO for a loan to support her farming activities. Through the FPO, she came in contact with Dvara E-Registry. Realising her potential, she was granted a loan of Rs 30,000. With the loan, Yumnam was able to purchase good-quality seeds, fertilizers, and other inputs, which significantly improved her crop yield. She has also installed an irrigation system, which allows her to cultivate crops during the dry season.

As a result of her increased yield, she was able to sell her surplus crops in the local Kakching market and generate a higher income. She is using this additional income to improve her family's standard of living and provide better education and healthcare for her children.

Yumnam's success story inspired many other women who want to secure loans and thus have shown interest in becoming shareholders in FPO.

ANUSAYA DIWAKAR YELE
SAMRUDDHA KRISH-E FARMER PRODUCER COMPANY LIMITED
DHANORA MALI, AMRAVATI, MAHARASHTRA

Anusaya Diwakar Yele is a woman farmer from a small village Dhanora Mali, Amravati in Maharashtra who along with her husband always dreamt of expanding her agriculture business but faced challenges due to a lack of financial resources. However, her life changed when she became a member of a Farmer Producer Company that helped him access to credit facilities.

In 2022, Anusaya applied for a loan from her FPC to expand her vegetable farming business. She received a loan of Rs. 30,000 with flexible repayment options. With this loan, she purchased high-quality vegetable and soyabean seeds, fertilizers, and pesticides to improve the yield of her farm. She also invested in a drip irrigation system to reduce water usage and improve water efficiency. The loan and investment in better farming practices resulted in a significant increase in Anusaya's crop yield. With the surplus produce, she was able to sell her vegetables directly to local markets in Amrawati, bypassing middlemen and earning a higher profit margin.

With the profits from her farming business, Anusaya was able to repay her loan on time and even had enough money left over to invest in a small dairy business. She purchased a cow and started selling milk, which helped her generate additional income for her family.

Today, her farm is thriving, and she is an inspiration to other women farmers in her village. She continues to be an active member of her FPC and encourages other women to join and take advantage of the credit facilities and training programs offered by the organization.

Anusaya's success story highlights the transformative impact that access to credit and better farming practices can have on the lives of women farmers in rural India. FPCs are playing a critical role in empowering women like Anusaya and enabling them to become successful entrepreneurs in agriculture.

AITONJAM NAOBI DEVI
KANGLEISANA KRISH-E FPC LTD
CHARANGPAT, THOUBAL, MANIPUR

Laitonjam Naobi Devi is a 38-year-old female farmer from Charangpat village, Thoubal, Manipur who lives with her husband and two children. Laitonjam and her husband have been cultivating rice and other crops on their small farm for many years but struggled to make ends meet due to low yields and a lack of access to finance.

In 2022, Laitonjam learned about Dvara E-Registry, an organisation that helps in providing collateral-free loans to rural communities. She applied for a loan of Rs. 30,000 and was approved within a week. She did not expect to receive the loan in such a short turnaround time. With the loan, Laitonjam decided to invest in fish farming, which she had learned about through a government training program.

Using the loan, Laitonjam constructed a small pond on her farm and purchased fingerlings and feed. She also received support and training from Dvara's staff on how to manage and care for the fish. Within six months, Laitonjam 's fish had matured, and she was able to sell them in the local market for a profit of Rs. 20,000.

Encouraged by her success, Laitonjam reinvested her profits in expanding her fish farm and also diversified her crops. She used some of the profits to purchase a solar-powered water pump, which enabled her to irrigate her crops more efficiently and increase her yields.

Today, Laitonjam 's farm is thriving, and she has become a role model for other women farmers in her community. She has also been able to repay her loan to Dvara on time and has maintained a good credit history, making her eligible for future loans. Laitonjam 's story shows how access to finance and training can empower rural women and help them build successful and sustainable businesses.