

## Financial Empowerment of Women: Deposit Patterns and Insights

26<sup>th</sup> June 2024

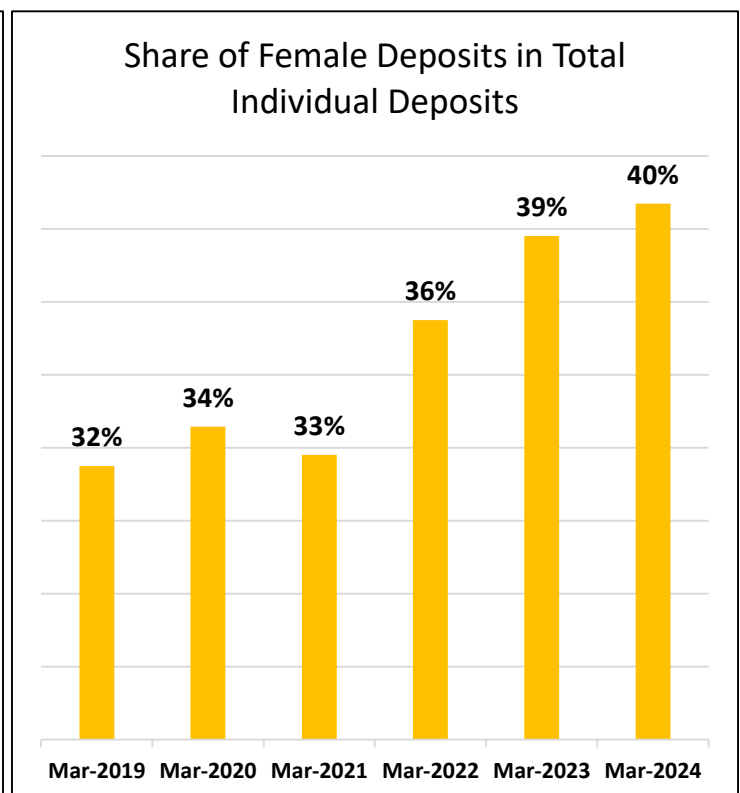
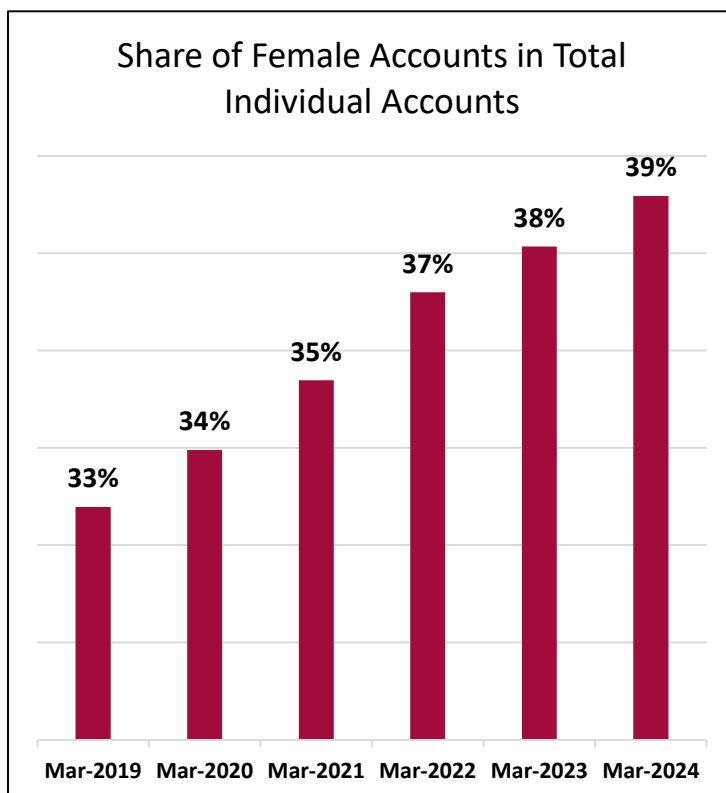
*“Empowering women is key to building a future we want” - Amartya Sen*

### Introduction

This research delves into the trends and patterns of female deposit accounts in India, examining the changes over the period from March 2019 to March 2024. It highlights the significant increase in the share of female accounts and deposits, reflecting a positive trend in women's financial inclusion. The analysis covers various dimensions such as population groups, bank types, age groups and regional differences. Key findings include the highest share of female deposits in metropolitan areas and among Small Finance Banks (SFBs), the shifting preferences of women across different age groups for savings and term deposits, and the correlation between female deposit shares and socio-economic indicators like literacy and mobile phone usage.

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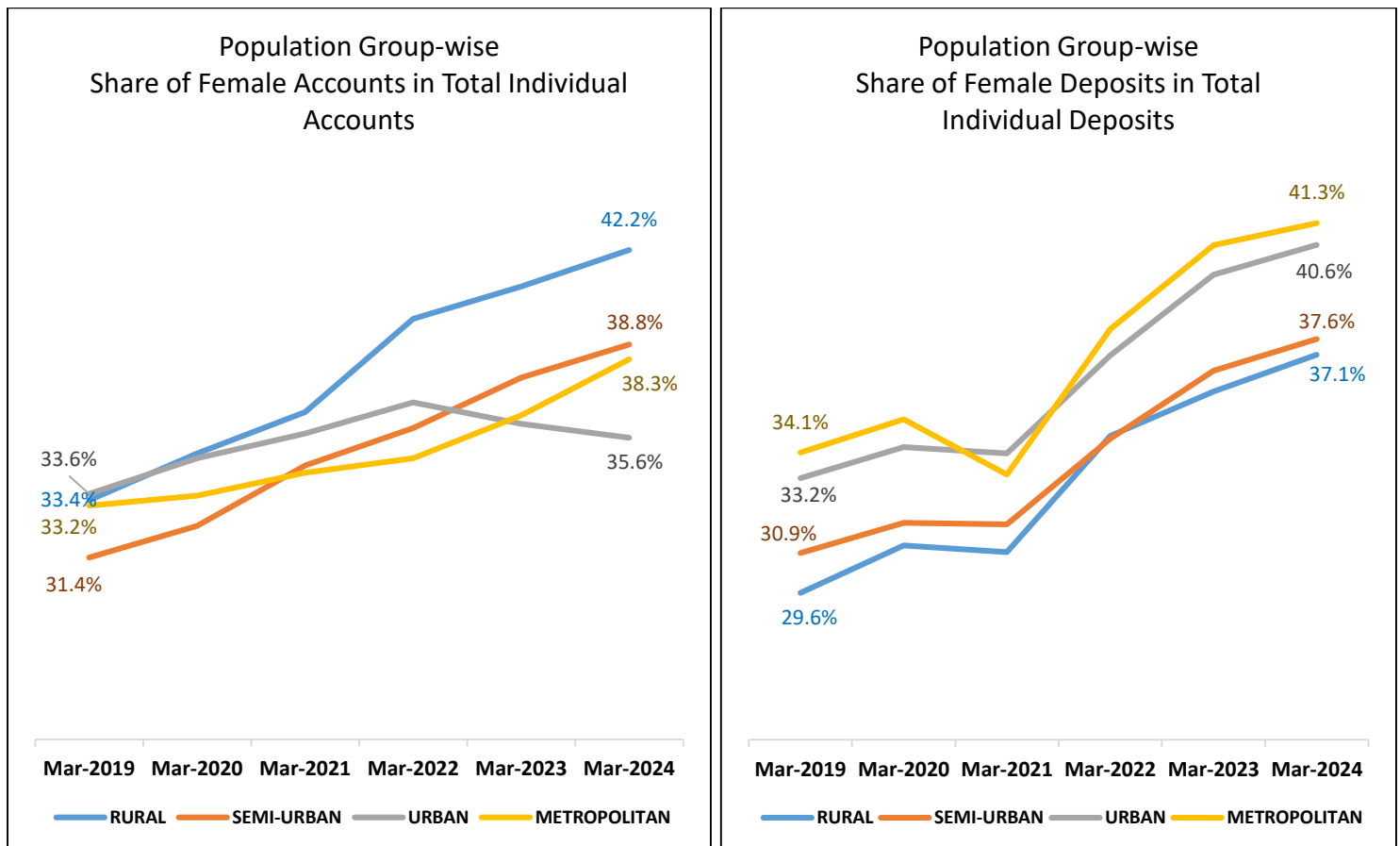
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Source: BSR 2 - RBI, EIC PNB

- The share of female accounts in total individual accounts has been continuously rising since March 2019.
- It has increased from 33 per cent in 2019 to 39 per cent in 2024.
- Even in case of total amount deposited, female share has increased from 32 per cent in March 2019 to 40 per cent in March 2024.

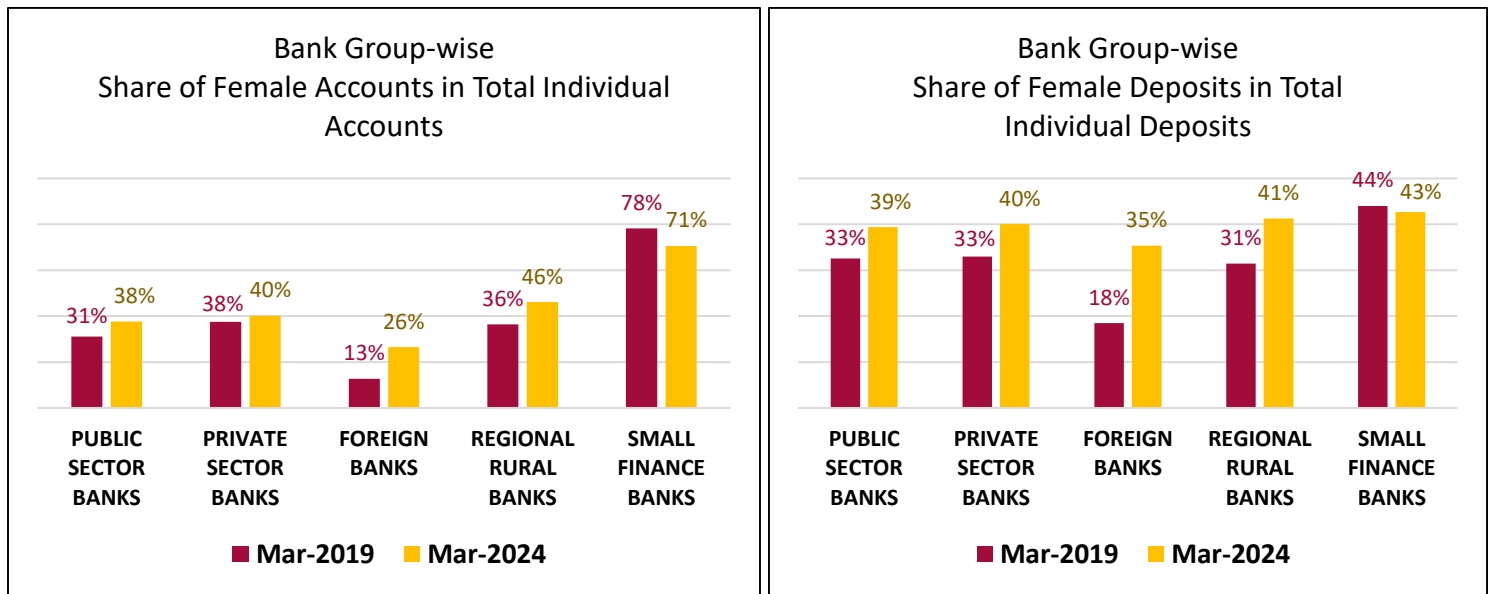
### Population Group-wise Analysis



Source: BSR 2 - RBI, EIC PNB

- Considering the population group (i.e. Metro, Urban, Semi-Urban and Rural), women’s share in both deposits and number of accounts has increased in March 2024 as compared to March 2019.
- While share of females in the number of accounts are the highest in Rural areas with 42.2 per cent as on March 2024, share of female deposits are the highest in Metropolitan areas with 41.3 per cent, thereby indicating the qualitative differences of the accounts.
- However, share of female accounts in Urban Population has shown a declining trend since March 2022.
- In case of deposits, there was a decline of female share in each of the population groups from March 2020 to March 2021. This may be attributed to the Covid-19 Lockdowns, where majority of the women were confined to their homes.

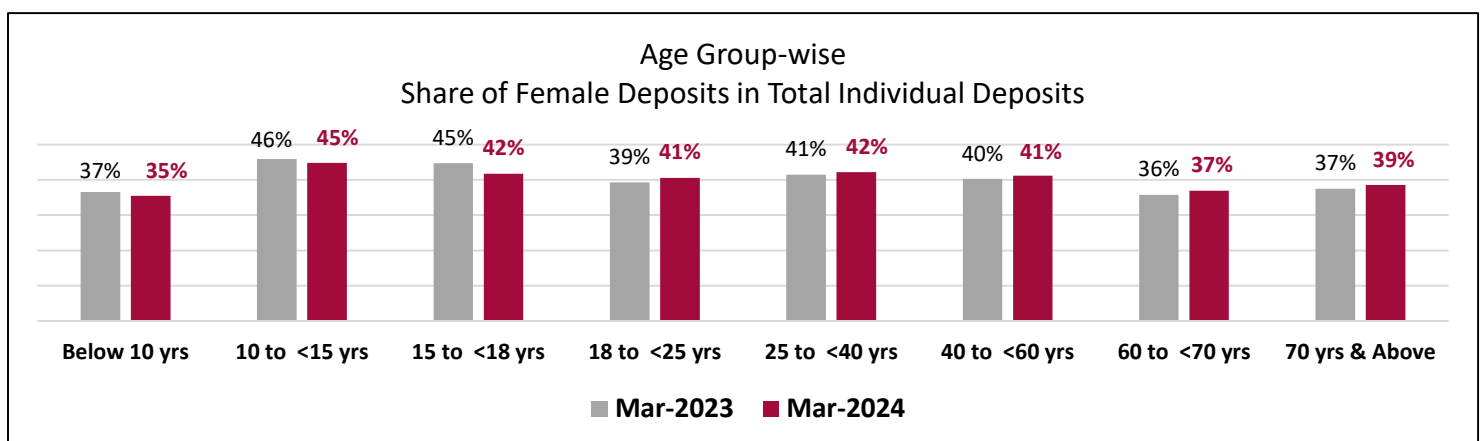
### Bank Group-wise Analysis



Source: BSR 2 - RBI, EIC PNB

- Under the Bank group-wise data, all Bank groups have shown increase in the female share both in terms of number of accounts and deposits, except for Small Finance Banks (SFBs), from March 2019 to March 2024.
- Though, the SFBs' female share is the highest among all the Bank groups, with 71 per cent in accounts and 43 per cent in deposits, as on March 2024.
- From March 2019 to March 2024, the highest percentage increase of female share was witnessed in Foreign Banks, both in terms of accounts (by 1300 bps) and amount (by 1700 bps).

### Age Group-wise & Account Type-wise Analysis



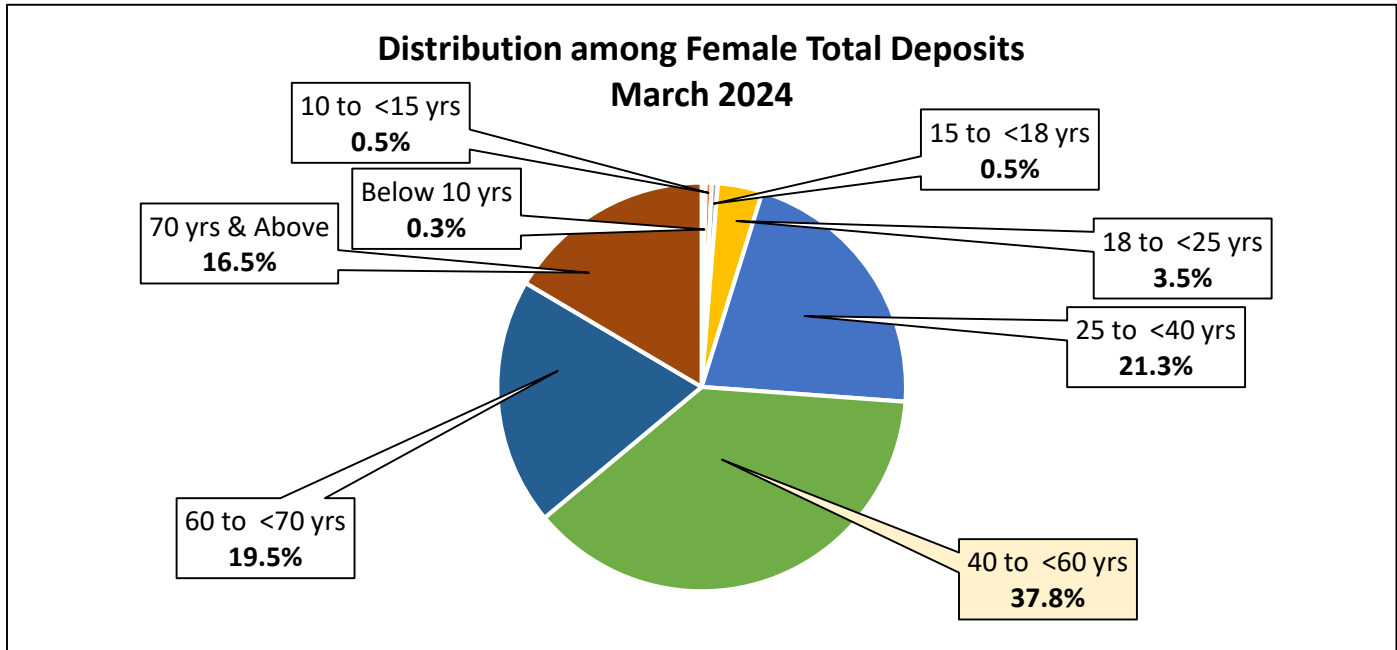
Source: BSR 2 - RBI, EIC PNB

Note: Figure in minors' current deposits is mainly due to consideration of minors' over-due term deposits, which are not auto-renewed (as per BSR-2 guidelines).

- While the share of female deposits for the minors declined in March 2024 when compared to March 2023, the share increased for all the age groups above 18 years during the same period.

- As on March 2024, the share of female deposits in total individual deposits is the highest in the age group of 10 to less than 15 years with 45 per cent, followed by the age groups 15 to less than 18 years and 25 to less than 40 years both with 42 per cent each.

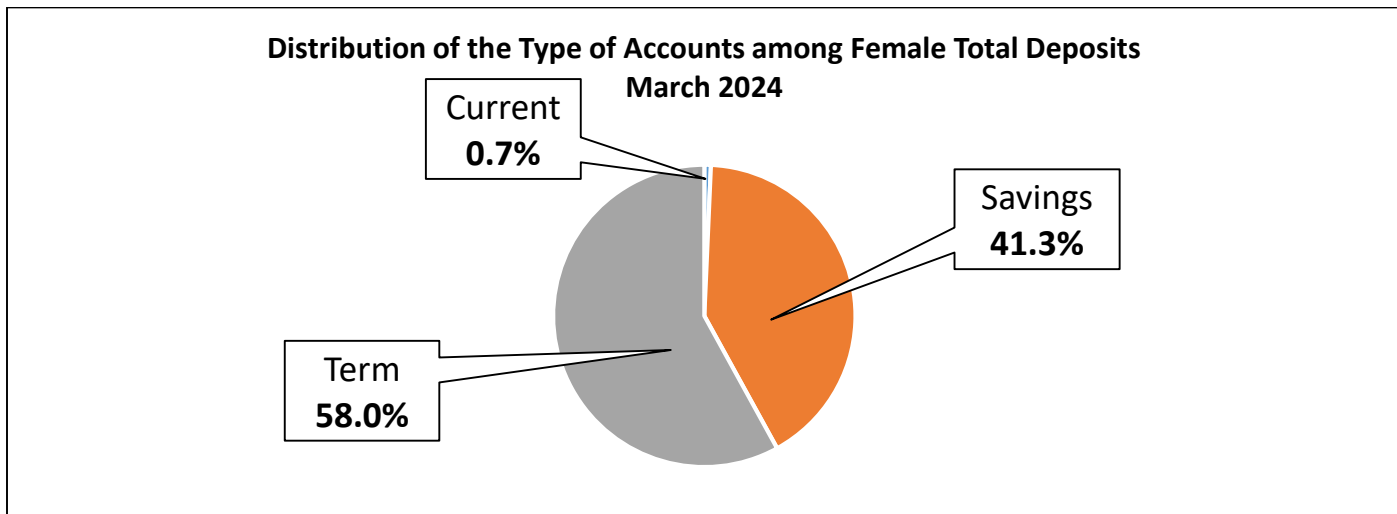
### Age Group-wise Distribution of Female Deposits



Source: BSR 2 - RBI, EIC PNB

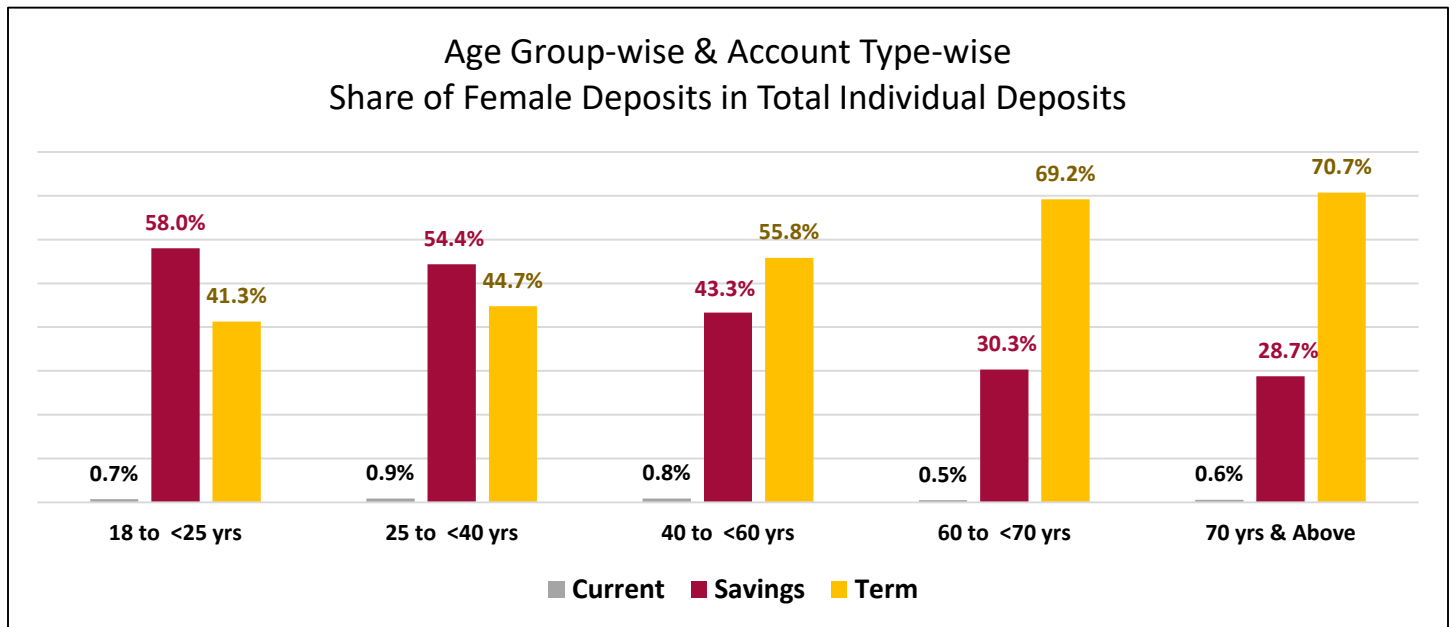
- As on March 2024, among the total female deposits, 37.8 per cent of the deposits are under the age group of 40 to less than 60 years.
- This is followed by the age group of 25 to less than 40 years with 21.3 per cent and 60 to less than 70 years with 19.5 per cent.
- As on March 2024, 98.7 per cent of the female deposits come from the adults (i.e. 18 years and above).

### Account Type-wise Distribution of Female Deposits



Source: BSR 2 - RBI, EIC PNB

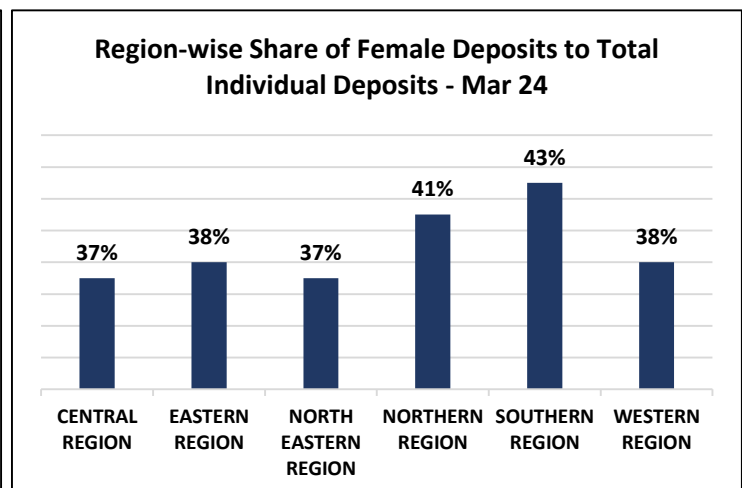
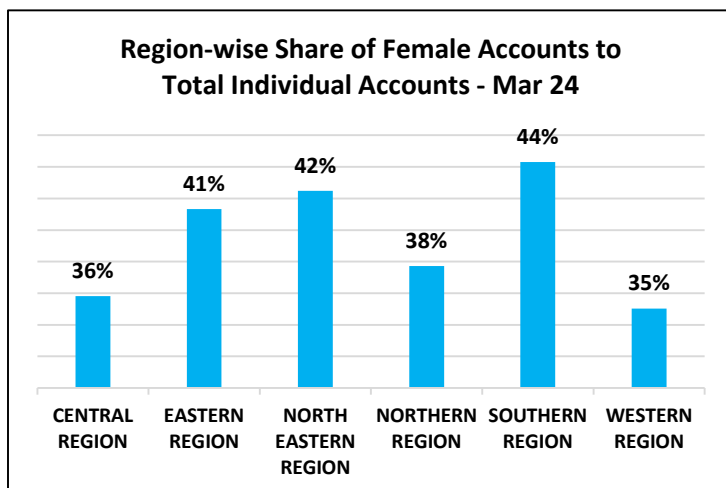
- As on March 2024, 58 per cent of the Female Deposits are placed in Term Deposits.
- This is followed by Savings Deposits, which accounts for 41.3 per cent.



Source: BSR 2 - RBI, EIC PNB

- It is evident from the chart, the female age groups of 18 to less than 40 years, park majority of their deposits in Savings Account, while from the age of 40 onwards, women gradually shift towards Term Deposits.
- As on March 2024, for the age group of 18 years to less than 25 years, 58 per cent of the deposits are in Savings accounts, while 41.3 per cent are in Term Deposit accounts.
- In contrary, for the age group of 70 years and above, where many depend on monthly income schemes, 70.7 per cent of their deposits are in Term Deposit accounts and only 28.7 per cent are in Savings account.

### Region-wise Analysis



Source: BSR 2 - RBI, EIC PNB

- As on March 2024, It is observed that, share of females in number of accounts and deposits, are the highest in the Southern Region with 44 per cent and 43 per cent respectively.
- In Northern Region, even though the share of females in the number of accounts is lower with 38 per cent, the share of female deposits is at the second position among all the regions with 41 per cent.

### State-wise Analysis

Top 10 States Share of Female Accounts to Total Individual Accounts		Top 10 States Share of Female Deposits to Total Individual Deposits	
Meghalaya	49%	Meghalaya	46%
Mizoram	47%	Kerala	45%
Tamil Nadu	47%	Andhra Pradesh	45%
Tripura	46%	Tamil Nadu	44%
Andhra Pradesh	46%	Telangana	43%
Manipur	44%	Goa	43%
Kerala	44%	Mizoram	42%
Karnataka	43%	Haryana	41%
West Bengal	43%	Karnataka	41%
Sikkim	42%	Punjab	40%

Source: BSR 2 - RBI, EIC PNB

- As on March 2024, Meghalaya constitutes the highest share of females, both in number of accounts and deposits, among all the States.
- In terms of the number of accounts, Meghalaya is succeeded by Mizoram and Tamil Nadu, whereas Kerala and Andhra Pradesh follow Meghalaya in terms of the deposits.
- The correlation among the share of females in the number of accounts and deposits in all the States is only 0.33, which implies that the States having higher share of female accounts do not necessarily have the higher share in deposits as well. This again shows the qualitative differences of the accounts.

### **A Deeper Dive**

- Further analyses of the States were done by measuring the correlation between the female shares, in both the number of accounts and deposits in each state, and other related data which includes: (a) Sex ratio of the total population (females per 1,000 males), (b) Women who are literate (refers to women who completed standard 9 or higher and women who can read a whole sentence or part of a sentence), (c) Women with 10 or more years of schooling, (d) Women who have ever used the internet, (e) Women owning a house and/or land (alone or jointly with others) and (f) Women having a mobile phone that they themselves use. These related data were taken from the National Family Health Survey – 5.

- In terms of female share in the number of accounts, the highest positive correlation was observed in sex ratio and women using mobile phone.
- While in terms of female share in deposits, the highest positive correlation was observed in women who are literate and women with 10 or more years of schooling.

### **Key Insights**

- Concentrate on the female population aged 40 to under 60 years to enhance the deposit base and for further cross-selling.
- Offer tailor-made features in savings accounts for women aged 18 to under 40 years.
- Target women aged 40 years and above with custom features in term deposit accounts.
- Focus on the Southern region of the country and compare the bank's female share in both the number of accounts and deposits.
- Pay special attention to the female population in states such as Meghalaya, Mizoram, Kerala, Tamil Nadu, Andhra Pradesh, etc.
- Emphasize the female population having 10 or more years of schooling, women using mobile phones, etc.

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