

WOMEN'S FINANCIAL INCLUSION IN INDIA AND SOUTH ASIA: A TREND ANALYSIS USING GLOBAL FINDEX DATA, 2011–2024

Nancy Sahni, Kanika Arora

Lovely Professional University

Abstract. The authors in this chapter explore how the financial inclusion of women in India has evolved structurally and behaviourally from 2011 to 2024, and benchmark India in the South Asian region. The research uses a multi-dimensional analytical framework and the World Bank Global Findex Database as a key quantitative tool to assess seven important indicators on access, usage, and administrative barriers. The findings reveal a substantial expansion in women's financial access in India, with account ownership increasing from 26.5% in 2011 to 89.2% in 2024. This remarkable progress has significantly narrowed the gender gap in basic financial access and positioned India as a leading performer within the South Asian region. Despite these gains in access, the findings highlight a persistent Access–Usage Paradox, wherein increased account ownership has not translated into equivalent levels of active financial participation. The analysis identifies notable gaps in account usage, digital payment adoption, and engagement with formal financial services. This includes a 17.5% inactivity rate and an 11.48% gender gap in digital payment adoption. The study introduces the concept of “administrative exclusion” to explain the transition from account-opening barriers to account-maintenance barriers within the financial inclusion ecosystem. The study focuses specifically on how rigid e-KYC processes and vulnerabilities to biometrics have become a weapon against rural women, and the rates of account freezes are as high as 60–75% in the surveyed clusters. The chapter takes Amartya Sen's Capabilities Approach perspective to argue that financial inclusion should be reframed as an agency problem rather than merely a baseline of infrastructure. The results show that the use of advanced fintech services is far behind, as is formal access to credit, indicating that the goals of enhancing credit access are not as well achieved as those of advancing the use of advanced fintech. Finally, this chapter presents strategic policy options such as tiered KYC models, gender-intentional credit scoring based on transaction histories rather than collateral, and the scaling up of human-centric intermediation through the “Sakhis” model, per the authors. The study contributes to the literature by demonstrating the importance of moving from the “onboarding barrier” to the “maintenance crisis” and by situating women's ownership of small businesses within the context of economic agency.

Keywords: Financial Inclusion, Gender Gap, South Asia, Digital Payments, Global Findex, Administrative Exclusion, KYC Barriers, Capabilities Approach

Introduction

Financial inclusion is widely recognised as an important driver of inclusive economic growth, poverty reduction, and social development (Sarma, Pais, 2011; Demirgüç-Kunt et al., 2022). Access to formal financial services enables individuals to save, borrow, invest, and manage financial risks more effectively. For women, participation in the formal financial system is associated with greater economic independence, enhanced decision-making capacity, and improved household welfare outcomes. Consequently, women's financial inclusion has emerged as a critical component of sustainable development strategies and is closely aligned with the objectives of Sustainable Development Goals 1 (No Poverty) and 5 (Gender Equality) (Singh, 2025).

The increase in the availability of finance worldwide has accelerated over the past decade, although there remains an immense disparity between access and substantial utilization, with women in developing economies at the receiving end (Demirgüç-Kunt et al., 2022).

The situation is unique in India. The country has registered tremendous growth in financial access, particularly among women, through mega initiatives such as the Pradhan Mantri Jan Dhan Yojana (PMJDY) and the Jan Dhan Aadhaar Mobile (JAM) trinity (World Bank, 2025; Ac, 2025). Irrespective of this development, new evidence indicates that access does not automatically lead to financial empowerment (Chakraborty, Meena, 2025). Instead, a significant divide in access to and use of financial services persists, linked to structural and behavioral barriers to financial participation (Priti, Vaish, 2025).

In addition, recent studies highlight administrative constraints, that is, stringent Know Your Customer (KYC) practices, as a success factor in inclusion inhibitors. Such barriers often lead to account inactivity or lockouts, particularly among rural women (Chahal, 2025; Sengupta et al., 2022). It is against this backdrop that a significant research gap is established, since most of the existing literature is predominantly on account ownership, and the researcher can only do longitudinal analysis and comparative analysis of how access can be transformed to sustained use on different financial aspects, particularly in comparison to the South Asian economies of the region.

This study addresses this gap by offering a longitudinal analysis of women's financial inclusion in India from 2011 to 2024, benchmarked against the South Asian regional context. The paper makes three key contributions:

1. It introduces the concept of the "Access–Usage Paradox" to explain the divergence between account ownership and active financial behavior.
2. It identifies "administrative exclusion" arising from rigid KYC norms as a structural barrier to effective inclusion (Chahal, 2025).
3. It provides a multi-dimensional assessment encompassing savings, credit, and digital transactions.

To investigate these themes, the study is guided by the following research questions:

- RQ1: How has women's access to formal financial accounts in India evolved from 2011 to 2024?
- RQ2: How does India compare with South Asian peers in terms of financial usage (savings, borrowing, and digital payments)?
- RQ3: What role do documentation-related barriers play in shaping women's financial exclusion in the post-access phase?

Literature Review

1. Theoretical Framework: The Capabilities Approach

This study is grounded in Amartya Sen's Capabilities Approach (Sen, 1999), which posits that the mere provision of resources does not automatically translate into meaningful life outcomes unless individuals possess the agency to utilize them effectively (Singh, 2025). In the context of financial inclusion, a bank account is often treated as a "commodity"—a static tool. However, it becomes a "capability" only when a woman has the autonomy to independently access, manage, and leverage financial services for economic resilience.

The Capabilities Approach has gained increasing relevance in financial inclusion research because it shifts the analytical focus from the mere possession of financial resources to individuals' ability to utilise them effectively. In this perspective, access to a bank account represents an enabling resource rather than an end in itself. Several studies have argued that meaningful financial inclusion should be assessed not only through ownership indicators but also through the extent to which individuals can exercise financial choice, participate in economic activities, and improve their well-being through the use of financial services (Sen, 1999; Demirgüç-Kunt et al., 2022). This perspective is particularly relevant for women in developing economies, where social, cultural, and institutional constraints may limit the conversion of financial access into actual empowerment.

Existing studies highlight that despite the surge in account ownership, women frequently lack operational control over their financial instruments due to entrenched socio-cultural constraints (Sengupta et al., 2022). This is most visibly reflected in the phenomenon of "Proxy Usage," where accounts are formally registered in a woman's name, but digital credentials and transactional decisions remain under the control of male household members. Such dynamics challenge the traditional assumption that "ownership equals empowerment" and necessitate a shift toward evaluating inclusion through a capability-oriented lens rather than binary access metrics.

2. India and the South Asian Context

The South Asian region presents a paradox: rapid financial digitization overlaid on persistent gender inequalities. While India has achieved historic progress in closing the account ownership gap through state-led mandates, regional disparities in active usage remain stark (World Bank, 2025).

Emerging evidence suggests that increased access has not uniformly translated into financial participation. Structural barriers, ranging from digital illiteracy to restrictive social norms, continue to stifle the effectiveness of inclusion efforts (Chakraborty, Meena, 2025). Furthermore, the urban–rural divide remains a defining feature of the ecosystem; transaction volumes in urban hubs significantly outpace those in rural districts, creating a "two-speed" financial system (Priti, Vaish, 2025). This suggests that while policy interventions have successfully addressed "Access Exclusion," they have been less effective at dismantling the "Usage Exclusion" that stems from geographic and infrastructural isolation.

Existing evidence presents mixed conclusions regarding the effectiveness of financial inclusion initiatives. While several studies report significant improvements in account ownership resulting from government-led interventions, other researchers argue that ownership-based measures often overestimate actual inclusion because many accounts remain inactive or are rarely used for savings, credit, or digital transactions (Demirgüç-Kunt et al., 2022; Allen et al., 2016). Furthermore, scholars have highlighted that women frequently encounter barriers related to financial literacy, digital access, mobility restrictions, and socio-cultural norms, which limit the effective utilisation of formal financial services despite increased access (Sarma, Pais, 2011; Swamy,

2014). These contrasting findings suggest that account ownership alone is insufficient to evaluate financial inclusion outcomes.

3. Administrative Exclusion and the “KYC Hurdle”

Recent research has increasingly recognised that regulatory and administrative processes may create unintended barriers to financial inclusion. While earlier studies primarily focused on obstacles to account opening, contemporary discussions emphasise the challenges of maintaining access to financial services. Documentation requirements, digital verification procedures, biometric authentication failures, and compliance-related processes can disproportionately affect vulnerable populations, particularly women residing in rural areas. These barriers may reduce the effectiveness of financial accounts even after formal access has been granted. Building on this emerging discourse, the present study employs the term “administrative exclusion” to describe situations in which individuals are formally included within the financial system but encounter operational barriers that restrict their continued participation.

Experimental data in the area suggest that biometric and small-scale documentation errors (including phonetic translation errors in last names) often result in account confinement, which occurs more frequently among rural women (Chahal, 2025). These administrative tensions create a Financial Death state of affairs in which individuals are technically members of the banking system but, in practice, outsiders to their own resources. Such exclusions raise significant concerns about the inclusivity of digital regulatory processes and suggest that the policy must move beyond account opening to a more sustainable approach to the usability and access of financial services.

4. Research Gap

Despite the growing body of literature on financial inclusion, several gaps remain. First, much of the existing research focuses primarily on account ownership as the principal indicator of inclusion, while comparatively limited attention has been paid to the transition from access to active usage. Second, many studies provide cross-sectional evidence, offering a limited understanding of how women’s financial inclusion has evolved over time. Third, the role of administrative and documentation-related barriers in shaping post-access exclusion remains insufficiently examined, particularly within the South Asian context. Addressing these gaps, the present study adopts a longitudinal, multidimensional approach to examine women’s financial inclusion in India between 2011 and 2024 and to compare India’s performance with broader regional trends.

Data and Methodology

This study adopts a longitudinal research design to examine the evolution of women’s financial inclusion in India between 2011 and 2024 and to compare India’s performance with broader South Asian trends. The analysis primarily relies on secondary data from multiple waves of the World Bank Global Findex Database, which provides nationally representative, gender-disaggregated indicators of financial inclusion. The longitudinal nature of the dataset enables the examination of changes in financial access, usage, and exclusion-related barriers over time.

The selection of indicators was guided by the multidimensional nature of financial inclusion. Prior literature suggests that financial inclusion extends beyond account ownership and encompasses access, usage, and the ability to sustain participation in formal financial systems. Accordingly, the indicators were selected to capture three interrelated dimensions: financial access, financial usage, and exclusion-related constraints. This framework enables a more comprehensive assessment of women’s financial inclusion than reliance on a single indicator such as account ownership.

To incorporate the field’s qualitative perspective into reports on field-based ethnography published by the Vidhi Centre of Legal Policy and the Moneylife Foundation (Sengupta et al., 2022; Chahal, 2025), the paper integrates methodological triangulation of macro-level data. Such a mixture of approaches will enable us to have a more comprehensive understanding of the structural and administrative tension (such as biometric failure and social-cultural norms) that determine financial behavior, but cannot be observed through aggregate data

1. Indicators Analyzed

To capture the multi-dimensional nature of inclusion, the study evaluates seven key indicators, organized into a three-tiered analytical framework:

Dimension I: Access Indicators (The Infrastructure Baseline)

1. General account ownership: The account ownership of a bank or some other financial institution or a mobile money service.
2. Bank account ownership: More specifically, keeping track of formal banking penetration.

Dimension II: Usage Indicators (The Capability Metrics)

3. Formal Savings: Percentage of women who save through the formal financial institutions or mobile money transfer system
4. Formal Borrowing: Percentage of females who borrow using formal financial or mobile institutions.
5. Digital Payment Adoption: Percentage of women who receive or make digital payments.
6. State of the art Fintech Utility: The introduction of mobile and internet utility bills.

Dimension III: Constraint Indicator (The Exclusion Driver)

7. Administrative Documentation Barrier: The frequency of unbanked women providing documentation as the primary cause of rejection, in addition to field information of account freezes (maintenance barriers). This classification makes a systematic study of the continuum of Access-Usage-Barrier, and makes it possible to determine the capabilities Gap the gap between the nominal account and the real financial utilization.

Table 1. Operationalisation of Indicators

Indicator	Operational Definition	Source
Overall Account Ownership	Percentage of women aged 15+ owning an account at a financial institution or mobile money provider	Global Findex
Bank Account Ownership	Percentage of women aged 15+ owning an account at a formal banking institution	Global Findex
Formal Savings	Percentage of women saving through formal institutions or mobile money services	Global Findex
Formal Borrowing	Percentage of women borrowing from formal institutions	Global Findex
Digital Payments	Percentage of women making or receiving digital payments	Global Findex
Mobile/Internet Bill Payments	Percentage of women using digital channels for bill payments	Global Findex
Documentation Barrier	Percentage of unbanked women reporting documentation-related barriers to access	Global Findex and supporting field evidence

2. Analytical Approach

The study employs descriptive and comparative analytical techniques. Trend analysis was used to examine changes in women's financial inclusion indicators across multiple waves of the Global Findex database between 2011 and 2024. A gender gap analysis was conducted by calculating percentage-point differences between male and female participation rates for selected indicators. Regional benchmarking was used to compare India's performance with South Asian averages. Together, these techniques facilitate the identification of long-term patterns, relative performance, and persistent inclusion gaps across access, usage, and constraint dimensions.

India was benchmarked against the South Asian regional average for two reasons. First, South Asian countries share several socio-economic and demographic characteristics that influence financial inclusion outcomes, including gender norms, income levels, and levels of digital infrastructure. Second, regional benchmarking provides a broader context for evaluating whether observed improvements in India represent country-specific achievements or reflect wider regional trends. This comparative perspective strengthens the interpretation of India's financial inclusion trajectory.

3. Study Limitations

Several limitations should be acknowledged. First, the study relies primarily on secondary data from the World Bank Global Findex Database, which limits the analysis to the indicators available in the dataset. Second, while the longitudinal design facilitates trend analysis, it does not establish causal relationships between policy interventions and observed outcomes. Third, the study focuses on national-level indicators and therefore may not fully capture regional disparities within India. Finally, selected insights on administrative

barriers are supplemented by secondary field reports that may not be nationally representative. These limitations should be considered when interpreting the findings and identifying directions for future research.

Results & Analysis

1. Access to Financial Accounts: The “Leapfrog Effect”

India has engineered an unprecedented transformation in women’s overall and bank account ownership. In 2011, female account ownership stood at a mere 26.5%. Following the 2014 implementation of the Pradhan Mantri Jan Dhan Yojana (PMJDY) and the wider adoption of the Jan Dhan-Aadhaar-Mobile (JAM) trinity, this figure surged to 76.6% in 2017 and reached a near-universal 89.2% by 2024. Crucially, this rapid acceleration has effectively neutralized the gender gap in basic account access—a feat that advanced economies historically took decades to achieve.

When benchmarked regionally, India’s trajectory is a stark outlier. While the South Asian weighted mean for female account ownership reached 78.0% in 2024, India’s individual rate of 89.2% remains the regional peak, significantly outperforming neighbors like Bangladesh (33.3%) and Pakistan (11.9%), both of which have seen fluctuations or stagnations in women's formal access.

Table 2. Women’s Formal Account Ownership Trends in South Asia (2011–2024)

Country	2011	2014	2017	2021	2024
India	26.5%	43.1%	76.6%	77.5%	89.2%
Bangladesh	26.0%	26.5%	35.8%	43.5%	33.3%
Pakistan	3.0%	4.8%	7.0%	13.5%	11.9%
South Asia (Avg)	22.0%	33.0%	58.1%	61.3%	78.0%*

*Weighted regional average. Source: Synthesized from Global Findex Database 2025

Interpretation: The data suggests that India’s financial inclusion model is predominantly state-mandated rather than market-driven. Unlike its regional peers, where growth has been incremental and often tied to private microfinance or mobile money expansion, India’s “leapfrog” was triggered by top-down policy mandates that dismantled structural entry barriers. However, while the “opening problem” has been solved, the speed of this expansion raises critical questions regarding the depth of engagement and the long-term sustainability of these accounts.

2. Usage: Savings, Credit, and Digital Payments

Highlighting the Access-Usage Paradox

Despite near-universal access, India suffers from a severe “Access-Usage Paradox.” Having an account is a prerequisite, but it does not guarantee asset accumulation (Indicators 3 & 4). High ownership is undermined by a 17.5% complete inactivity rate. Field data from the COVID-19 pandemic revealed the highly transactional nature of women's banking: when women received PMGKY cash transfers, an overwhelming 94% exclusively withdrew the funds in cash, leaving only a fraction utilizing the accounts for formal savings or credit.

Digital Acceleration and the 20x Divide

Between 2014 and 2024, the adoption of digital payments (Indicator 5) accelerated sharply in India. However, a distinct gender and geographic divide persists. By 2024, male digital payment adoption reached 54.15%, compared to 42.67% for women, maintaining an 11.48% usage gap.

Table 3. The “Usage Gap” – Digital Payment Adoption by Gender in India

Year	Female Adoption (%)	Male Adoption (%)	Gender Gap (pp)
2014	14.19%	29.98%	15.79%
2021	27.98%	41.42%	13.44%
2024	42.67%	54.15%	11.48%

Source: Global Findex Database & The India Forum

Interpretation: This divide is drastically exacerbated by geography. NPCI and regional data indicate that in 2024, urban transaction volumes were nearly 20 times those in rural areas. Urban users seamlessly integrate

high-frequency micropayments, whereas rural women, constrained by only 38% smartphone ownership, use digital systems infrequently. Regarding mobile/internet bill payments (Indicator 6), an estimated 84 million banked women in India still pay utility bills exclusively in cash, demonstrating a massive lag in advanced fintech adoption.

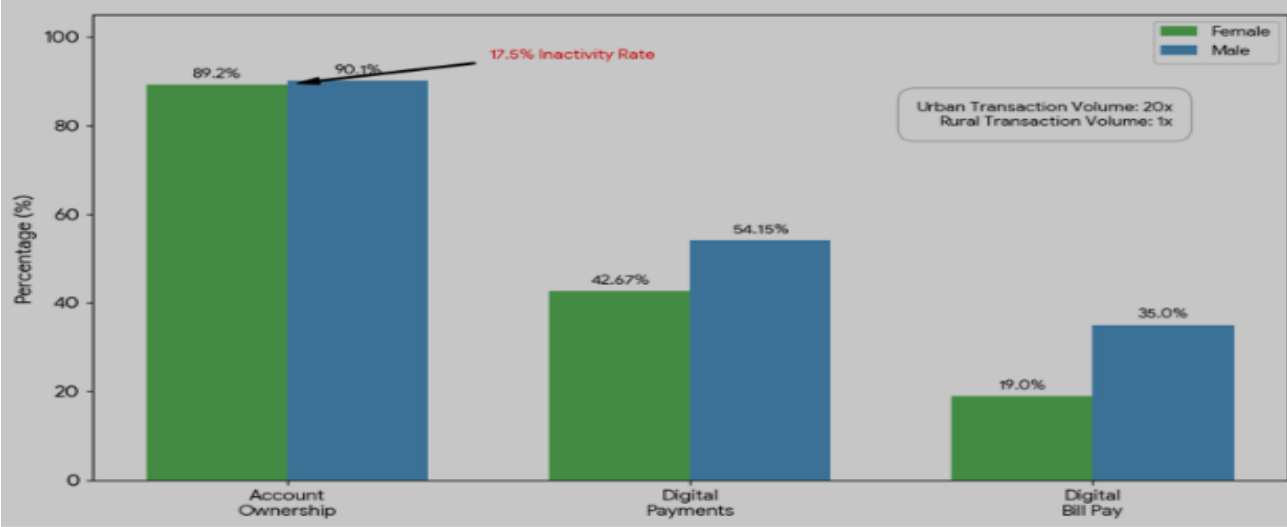


Fig. 1. The Access-Usage paradox & Digital Divide (2024)
 Source: Author's calculations based on World Bank Global Findex Database (2025)

Interpretation: While gender parity has been reached in account ownership (89.2%), a significant “usage gap” persists in digital and bill payments. The 17.5% inactivity rate and the 20x urban-rural transaction volume divide illustrate the structural and geographic barriers to active financial agency.

3. The Evolution of Documentation Barriers: From Entry to Maintenance

A critical indicator of financial exclusion is the proportion of women citing documentation issues as a primary hurdle (Indicator 7). The longitudinal data reveal a dramatic transformation in the nature of this barrier. In 2011, paper-based documentation requirements acted as a “Passive Exclusion” mechanism; millions of women were unbanked simply because they lacked the physical paperwork—such as birth certificates or ration cards—required to enter the formal sector. By 2024, the Aadhaar ecosystem will have successfully dismantled this entry-level wall. As evidenced in Table 4, the documentation barrier for the unbanked in India has plummeted from an estimated 45% in 2011 to a record low of 5.3% in 2024. However, this success is shadowed by a new structural barrier for the banked: “Administrative Exclusion.”

The study identifies a significant shift from “Entry Barriers” to “Maintenance Barriers.” Rigid electronic Know Your Customer (e-KYC) protocols have essentially weaponized documentation against the poor. Minor phonetic or transliteration spelling variations—such as “Gita Devi” in bank records versus “Geeta Devi” on an Aadhaar card—now trigger automated “High Risk” flags, leading to immediate account freezes. Furthermore, biometric failures occur frequently among rural women whose manual labor (e.g., farming or construction) erodes their fingerprints, making digital authentication nearly impossible.

Table 4. The Access-Usage-Maintenance Gap in India (2011–2024)

Dimension	Indicator	2011	2014	2017	2021	2024
I. Access	1. Overall Account Ownership (%)	26.5%	43.1%	76.6%	77.5%	89.2%
	2. Bank Account Ownership (%)	26.5%	42.6%	76.6%	77.5%	89.1%
II. Usage	5. Digital Payments Adoption (%)	—	14.2%	22.4%	28.0%	42.7%
III. Constraint	7. Documentation Barrier (Unbanked)*	45.0%^	25.0%^	12.0%^	8.5%	5.3%
	New Barrier: Account Freeze Rate	0%	Low	Moderate	35.0%	60–75%

Estimated based on historical Findex/World Bank trends.
 Source: Synthesized from Global Findex Database 2025 & Field Survey Data (Moneylife/Vidhi)

Field surveys in Jharkhand highlight the severity of this “Maintenance Crisis”: in surveyed rural clusters, field evidence from selected rural clusters reported that between 60% and 75% of surveyed households had at least one account affected by KYC-related restrictions. When an account is frozen, it creates a state of

“Financial Death”—a condition where the individual legally owns the capital but is administratively locked out of their own life savings. This data confirms that while the infrastructure for access is complete, the regulatory framework for maintenance remains a significant bottleneck.

4. The Conversion Gap: Comparing India with the South Asia Average

While India has successfully resolved the “Opening Problem,” the “Usage Problem” remains a shared regional struggle, albeit with different manifestations. As shown in Table 5, India’s financial inclusion profile is characterized by high nominal access but low functional utility.

Table 5. Comparison of All 7 Indicators for Women: India vs. South Asia Average (2024)

Indicator	India (Women)	SA Average (Women)
1. Overall Account Ownership	89.2%	54.9%
2. Bank Account Ownership	89.1%	52.8%
3. Savings (Formal/Mobile)	22.8%	15.4%
4. Borrowing (Formal/Mobile)	12.0%	16.1%
5. Digital Payments	42.7%	27.5%
6. Mobile/Internet Bill Pay	Low/Dormant	19.0%
7. Documentation Ease**	94.7%	72.4%

Source: Synthesized from Global Findex 2025

*Indicator 6 note: Despite high banking penetration, an estimated 84 million banked women in India still pay utility bills exclusively in cash. **Indicator 7 is inverted. (100\% - Barrier \%) to show “Ease of Entry.”

Interpretation: The “Credit and Utility” Lag. The benchmarking reveals two critical anomalies. First, despite India's lead in digital payment adoption (42.7% vs 27.5%), it lags significantly in Advanced Fintech Utility (Indicator 6). The fact that 84 million banked women remain “cash-reliant” for utility bills suggests that digital infrastructure has yet to penetrate the daily household economy of rural women.

Second, India slightly underperforms the South Asian average in Formal Borrowing (12.0% in India vs 16.1% regionally). This suggests that while the Indian state-led model is highly effective at mobilizing deposits (savings), it has not yet matched the credit-led empowerment models—often driven by micro-credit institutions—prevalent in neighboring countries like Bangladesh.

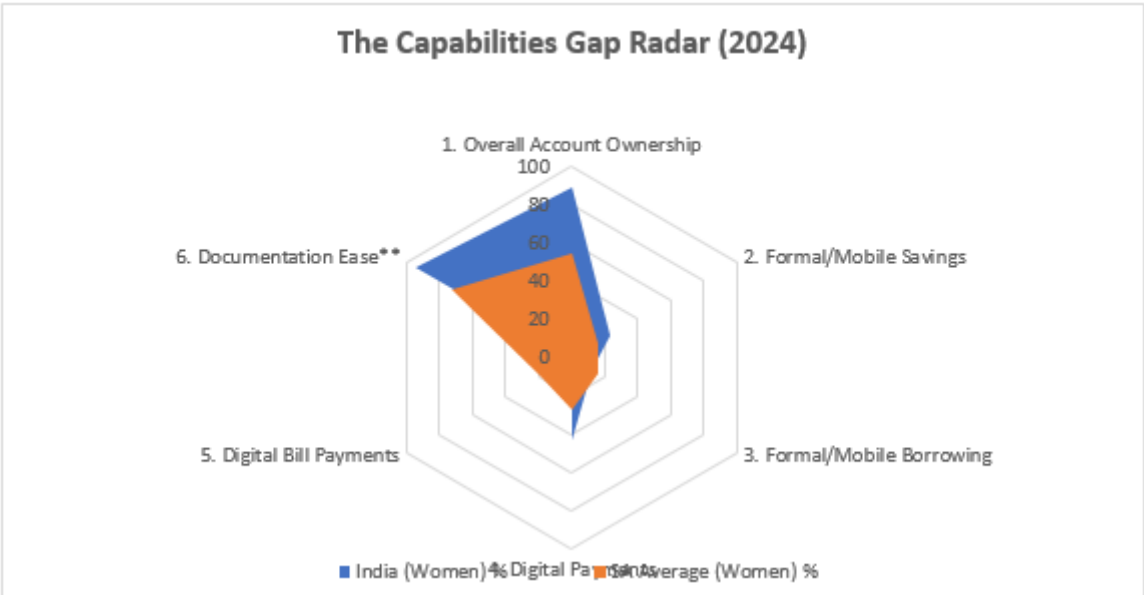


Fig. 2. The Access-Usage Paradox (2024)

Source: Author’s synthesis based on the World Bank Global Findex Database (2025) and regional South Asian financial inclusion estimates

Interpretation: This radar chart visually represents the “capabilities gap.” While the account ownership point is at the outer edge (89%), the digital usage and formal savings points are pulled significantly inward, illustrating the underutilization of accounts. Figure 2. The Capabilities Gap Radar (2024). A visual representation of the disparity between nominal access and functional agency. While India significantly

outperforms the South Asian average in account ownership and ease of documentation, the sharp inward contraction toward the center on usage-based axes (savings, borrowing, and advanced payments) highlights the “dormant” nature of women's financial inclusion in India.

Discussion & Policy Implications

The findings suggest that India's financial inclusion strategy has been highly successful in expanding women's access to formal financial services. However, the results indicate that improvements in access have not been matched by equivalent progress in active financial participation. This divergence highlights the importance of evaluating financial inclusion through behavioural and capability-based outcomes rather than relying exclusively on account ownership indicators. The findings, therefore, support broader arguments in the financial inclusion literature that meaningful inclusion requires both access to financial services and the ability to use them effectively.

Large-scale policy initiatives such as the Pradhan Mantri Jan Dhan Yojana (PMJDY) and the Jan Dhan–Aadhaar–Mobile (JAM) framework have substantially expanded the institutional foundations of financial inclusion in India. However, improvements in access have not been accompanied by comparable gains in active financial participation and economic agency among women (Singh, 2025).

The persistence of usage gaps despite widespread account ownership suggests that structural and behavioural constraints continue to influence women's engagement with formal financial services. Factors such as digital literacy, technological access, social norms, and financial confidence may limit the effective utilisation of accounts. These findings emphasise the need for policy interventions that move beyond account creation towards strengthening financial capability and digital participation. (Sengupta et al., 2022; Chakraborty, Meena, 2025).

The analysis further highlights the role of administrative and regulatory barriers in shaping financial participation. Although documentation-related obstacles to account opening have declined substantially, procedural challenges associated with account maintenance continue to affect vulnerable users. These findings indicate that the sustainability of financial inclusion depends not only on expanding access but also on ensuring that financial services remain accessible throughout the user lifecycle (Chahal, 2025).

Policy Recommendations

The findings suggest that future policy efforts should focus on improving account usability, expanding access to formal credit, and reducing procedural barriers that restrict sustained participation in the financial system.

- 1. Administrative Reform: Tiered and Responsive KYC Frameworks:** To resolve the Maintenance Barrier, policy-makers should adopt a Tiered KYC structure. The low-risk and low-balance accounts (e.g., below Rs. 50,000) should be subject to simplified compliance requirements, and those requirements should not be frequently brought down to biometrics. In addition, biometric versions of Face Authentication or Iris Scanning should be included at rural banking points to assist the manual workers whose fingers were worn away.
- 2. Gender-Intentional Credit Design:** India is less formal in its borrowing than the average for South Asian countries, suggesting that women without land titles do not receive collateral-intensive credit. The banks should also change their scoring framework to behavioral scoring and transaction-driven scoring. With information on existing digital payment flows (UPI/G2P), banks will be able to provide small-ticket, no-collateral credit and transform women into active economic participants rather than passive account holders.
- 3. Human-Centric Digital Inclusion: The “Sakhis” Model.** To eliminate Hardware Ceiling (low smartphone ownership), the network of female Business Correspondents (BC Sakhis) must be expanded. The trust and digital illiteracy gaps can be overcome through localized intermediation between women. Human-based interventions are essential because digital finance should not be a two-speed system that excludes rural women (Priti, Vaish, 2025).

Conclusions

This study examined the evolution of women's financial inclusion in India between 2011 and 2024 and compared India's progress with broader South Asian trends. The findings reveal substantial improvements in formal financial access, particularly in account ownership, demonstrating the effectiveness of large-scale inclusion initiatives. However, important gaps remain between access and active participation, especially regarding digital financial services, formal borrowing, and sustained account usage.

The study contributes to the literature by adopting a multidimensional perspective that considers access, usage, and exclusion-related constraints simultaneously. The findings suggest that financial inclusion should be evaluated not only through indicators of account ownership but also through measures of meaningful engagement with financial services.

From a policy perspective, efforts to strengthen financial capability, expand digital participation, improve access to formal credit, and reduce administrative barriers may help translate financial access into broader economic empowerment for women. Future research may further explore the behavioural determinants of financial service usage and examine regional variations in women's financial inclusion outcomes in India.

Reference list

1. Ac, A. (2025, July 21). WB's Global Findex Report 2025: India maintains 89% financial account ownership, faces high inactivity rates. *AffairsCloud*. <https://affairscloud.com/wbs-global-findex-report-2025-india-maintains-89-financial-account-ownership-faces-high-inactivity-rates/>
2. Allen, F., Demirgüç-Kunt, A., Klapper, L., & Peria, M. S. M. (2016). The foundations of financial inclusion: Understanding ownership and use of formal accounts. *Journal of Financial Intermediation*, 27, 1–30. <https://doi.org/10.1016/j.jfi.2015.12.003>
3. Chakraborty, I., & Meena, A. (2025, October 30). Closing India's gender gap in financial inclusion. *The India Forum*. <https://www.theindiaforum.in/gender/closing-indias-gender-gap-financial-inclusion>
4. Demirgüç-Kunt, A., Klapper, L., Singer, D., & Ansar, S. (2022). *The global Findex database 2021*. World Bank. <https://doi.org/10.1596/978-1-4648-1897-4>
5. Chahal, A. (2025, May). *KYC is torture: Rural realities and reforms*. Moneylife Foundation. <https://www.mlfoundation.in/media/uploads/article/pdf/1747137432901.pdf>
6. Sarma, M., & Pais, J. (2011). Financial inclusion and development. *Journal of International Development*, 23(5), 613–628. <https://doi.org/10.1002/jid.1698>
7. Sen, A. (1999). *Development as freedom*. Oxford University Press. <https://global.oup.com/academic/product/development-as-freedom-9780192893307>
8. Sengupta, S., Khanna, M., Garg, S., Ahmed, S., Vernekar, N., Morsel Research and Development Private Limited, Mukherjee, A., Thakur Chakraborty, S., Jadhav, V. S., & Pandey, S. (2025). *Financial inclusion of women during the pandemic: The role of Jan Dhan accounts and cash transfers*. Vidhi Centre for Legal Policy. <https://vidhilegalpolicy.in>
9. Singh, A. K. (2025). Sustainable development goals in India: Progress, challenges, and future directions. *Int. Jr. of Contemp. Res. in Multi.*, 4(4), 637–643. Zenodo. <https://doi.org/10.5281/zenodo.16995887>
10. Singh, N., Koning, A., & Ledgerwood, J. (2025). *Invisible barriers: How gender norms impact financial inclusion*. Global Action Platform Inc. <https://www.cgap.org/research/publication/invisible-barriers-how-gender-norms-impact-financial-inclusion>
11. Subrahmanyam, B. V. R., Roy, A., Jain, B., & Sharma, M. K. (2025). *From borrowers to builders: Women's role in India's financial growth story* [Joint report]. TransUnion CIBIL, Women Entrepreneurship Platform (WEP; NITI Aayog), & MicroSave Consulting. <https://www.niti.gov.in/sites/default/files/2025-03/From-Borrowers-to-Builders-Women%E2%80%99s-role-in-India%27s-financial-growth-story.pdf>
12. Swamy, V. (2014). Financial inclusion, gender dimension, and economic impact on poor households. *World Development*, 56, 1–15. <https://doi.org/10.1016/j.worlddev.2013.10.019>
13. Thumma, M., & Naui, E. (2025). Status, struggles, and strategies: A literature review of women's financial management in South Asia. *Computer Research and Development*, 25(8), 1–10. <https://journalcrd.org/wp-content/uploads/1-CRD3159.pdf>
14. Priti, & Vaish, A. (2025). The great digital divide: An analysis of the widening gap and divergent trends in India's urban and rural payment ecosystems. *Academy of Marketing Studies Journal*, 29(6), 1–18. <https://www.abacademies.org/articles/the-great-digital-divide-an-analysis-of-the-widening-gap-and-divergent-trends-in-indias-urban-and-rural-payment-ecosystems-17680.html>
15. World Bank Group. (2025). *The Global Findex Database 2025*. World Bank. <https://www.worldbank.org/en/publication/globalindex>

Santrauka

Šiame straipsnyje nagrinėjama, kaip Indijoje moterų finansinė įtrauktis struktūriškai ir elgsenos požiūriu kito nuo 2011 iki 2024 metų, ir lygina Indiją su Pietų Azijos regionu. Tyrime taikomas daugiamatis analitinis metodas ir siekiant įvertinti septynis svarbius rodiklius, susijusius su finansine prieiga, naudojimu ir administracinėmis kliūtimis, kaip pagrindinė kiekybinė priemonė naudojama Pasaulio banko „Global Findex“ duomenų bazė. Tyrimo rezultatai atskleidžia reikšmingą „šulio efektą“ – Indijoje moterų prieiga prie finansinių paslaugų žymiai išsiplėtė, sąskaitas turinčių moterų skaičius padidėjo nuo 26,5 % 2011 m. iki 89,2 % 2024 m. Ši įspūdinga pažanga ženkliai sumažino lyčių nelygybę pagrindinės finansinės prieigos srityje ir padėjo Indijai užimti lyderio poziciją Pietų Azijos regione. Nepaisant šios pažangos, tyrimas identifikuoja svarbų „prieigos ir naudojimo paradoksą“, pasireiškiantį dideliu neaktyvių sąskaitų skaičiumi bei išliekančiais lyčių skirtumais naudojant skaitmeninius mokėjimus. Tyrime pristatoma „administracinės atskirties“ sąvoka, paaiškinanti perėjimą nuo pradinio prisijungimo kliūčių prie ilgalaikių priežiūros problemų. Ypatingas dėmesys skiriamas tam, kaip griežti e-KYC procesai ir pažeidžiamumas biometrinių duomenų atžvilgiu tapo ginklu prieš kaimo moteris, o sąskaitų įšaldymo rodikliai tiriamose grupėse siekia net 60–75 %, kas riboja nuolatinį finansinį dalyvavimą. Remiantis Amartya Sen gebėjimų (*Capabilities*) metodu, teigiama, kad finansinė įtrauktis turėtų būti vertinama ne tik kaip infrastruktūros prieigos klausimas, bet ir kaip ekonominio veiksmingumo bei savarankiškumo problema. Tyrimo rezultatai taip pat rodo ribotą pažangą formaliojo kredito prieigos ir pažangių finansinių technologijų naudojimo srityse. Tyrime siūlomos politikos priemonės, įskaitant pakopinius KYC modelius, lyčiai jautrius kredito vertinimo mechanizmus, pagrįstus sandorių istorija, bei į žmogų orientuoto tarpininkavimo plėtrą pagal „Sakhis“ modelį. Tyrimas prisideda prie mokslinės literatūros, perkeldamas dėmesį nuo pirminių prisijungimo kliūčių prie platesnės finansinės priežiūros krizės moterų finansinės įtraukties kontekste.

Reikšminiai žodžiai: moterų finansinė įtrauktis, lyčių atotrūkis, Pietų Azija, skaitmeniniai mokėjimai, „Global Findex“ duomenų bazė, administracinė atskirtis, KYC kliūtys, gebėjimų metodas

Information about the authors

Dr. Nancy Sahni. Lovely Professional University, Mittal School of Business, Professor. Research fields: Behavioural Finance, Digital Financial Literacy, AI in finance.

Email address: nancy.sahni@lpu.co.in

ORCID: 0000-0002-7748-3632

Dr. Kanika Arora. Lovely Professional University, Mittal School of Business, Associate Professor. Research fields: Entrepreneurship, Financial Inclusion, AI in finance.

Email address: kanika.32412@lpu.co.in

ORCID: 0009-0007-5420-5190