

SPEECH OF SHRI P CHIDAMBARAM, FINANCE MINISTER  
AT THE  
INAUGURATION OF BHARATIYA MAHILA BANK  
ON  
19.11.2013 AT MUMBAI

I am grateful to the Chairperson of the Bharatiya Mahila Bank for the warm welcome. I am happy to add my words of welcome to the Hon'ble Prime Minister, the Chairperson of the UPA, the Governor, the Chief Minister, Shri Sharad Pawar, Shri Farooq Abdullah, Ministers, Members of Parliament and this distinguished gathering.

On behalf of the Government, I made a promise on February 28, 2013. I am glad that we are able to fulfil that promise today, a very special day that marks the birth anniversary of a very special person, Smt. Indira Gandhi.

I had asked Shri M.B.N. Rao, former Chairman, Canara Bank, to head a committee to draw the blue print for the Mahila Bank. The report was submitted in a record time of two months and, six months later, after working round the clock, we are here today at the inauguration of the Bank, with several branches being opened simultaneously. I wish to recognize the presence of Shri M.B.N.Rao, the other members of the Committee, and the members who constituted the interim Board of Directors, and I thank them for their splendid work. This morning, the Board inducted new Directors, Shri M.B.N.Rao alone stepped down, and what we have is an eight-member, all-women Board of Directors. I welcome the all-women Board of Directors and wish them success in their endeavour.

Empowerment of women is one of the articles of faith of the UPA government. The Bharatiya Mahila Bank is not – I repeat, not – a *symbol* of empowerment of women. It is the *substance* of empowerment of women, along with many other measures that the Government has taken and will take in the future.

Only 26 percent of women in India admit to having a bank account. On the other hand, four public sector banks including State Bank of India and several private sector banks have a woman at the head of the Bank, and I am glad many of them are here today. The obvious conclusion is that, despite good

intentions, there is deep-seated bias, at the institutional and individual levels, against women. Since fewer women than men have bank accounts, fewer women are able to get loans. Per capita credit in the case of women is 80 percent lower than in the case of men. Hence the need for a bank that predominantly serves women – from the self-help groups to the small business women and from the working woman to the high networth individual.

Bank credit is expected to grow at a compounded annual growth rate of 16.5 percent during the twenty year period from 2010 to 2030. That will mean a twenty-fold increase from the level of credit in 2010. The deposit base is expected to grow at a compounded annual growth rate of 14.6 percent, that is 14 times the level of deposits in 2010. Assuming that the share of credit for women remains the same – which should not be the case and the share must increase – even at that level total credit to women will grow to Rs.25 lakh crore. There is, therefore, an opportunity to reach more credit to more women. I am sure the Bharatiya Mahila Bank will seize the opportunity and multiply it manifold.

Bharatiya Mahila Bank will be a universal bank and will provide every banking service and facility that is provided by comparable public and private sector banks. It will establish branches all over the country and, in due course, some branches abroad. We are proud that the first such bank is a public sector bank and I sincerely hope that the private sector will emulate this example.

I offer my felicitations to the Board of Directors, employees and the first customers of the Bharatiya Mahila Bank and wish them great success.