CHAPTER VII

SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION

Summary and Findings

This chapter contains the summary of the findings from the analysis of data in the study area and presents few suggestions for policy implications, to be carried on in future.

Financial Inclusion is one of the influential key factors for the growth processes of the economy. In India especially in rural India, **'the real India'**, the majority of the population lives in remote areas and hence, their overall development is the need of the hour. Development process requires financial access. Financial Inclusion is a process of ensuring access to financial services and timely and adequate credit, where needed by vulnerable groups such as weaker sections and low income groups at an affordable cost. Financial inclusion will provide an avenue for bringing the savings of the poor into the formal financial intermediation system and channel them into local needs. It aims at providing cost effective mechanism for financial services, to the unreached poor, especially women.

Even after forty years of nationalization of the banks, 60 per cent of the rural population does not have bank accounts and nearly 90 per cent do not get loans. Reserve Bank of India's vision for the year 2020, hopes to open nearly 600 million new customers' accounts and serve them through a variety of channels by leveraging on IT. At the present juncture, it is important to analyze the effectiveness of SHG in solving the problems of the poor people in attaining financial inclusion and its repercussion on income, assets, savings, and acquisition of new skills, networking, social capital and employment generation.

"Economic upliftment of women through financial inclusion – A study with reference to Virudhunagar District of Tamil Nadu" is conducted with some specific objectives such as, to comprehend the present status of Financial Inclusion in India with special reference to Tamil Nadu, to discuss the functioning of SHG-bank linkage programme towards financial inclusion in Virudhunagar district, to evaluate the spread of Financial Inclusion in the area with reference to socio – economic and demographic factors, to observe the impact of financial inclusion through SHG on employment generation, income generation and accumulation of assets and savings, to evaluate the impact of financial inclusion on poverty alleviation among the respondents, to appraise the impact of financial inclusion on enrichment of women and to recommend suitable suggestions based on the findings of the study,

Virudhunagar district has eight taluks. Scholar has chosen two taluks where NGOs play a dominant role in bringing the government schemes to the masses for her intensive study. Rajapalayam and Aruppukottai are the two taluks chosen for the study by the scholar.

The Virudhunagar has 35 banks with its 226 branches in various places in and around the district. It has the highest credit deposit ratio at 172 per cent. In Virudhunagar District SHGs functions under two groups i.e the SHGs functioning under Mathi and under Non-Mathi. Number of SHGs of these two groups as well as the credit linkage target of these groups are on the increase year after year. Pandyan Grama Bank tops the list of banks for which credit linkage target for 2010-11 has been set up. Altogether there are 6160 SHGs functioning under Mathi and 3520 under Non-Mathi Group in Virudhunagar District. In the year 2010-11, target fixed for credit linkage for the SHGs of Mathi group was Rs. 7700 lakhs and it was Rs.4400 lakhs for Non – Mathi group of SHGs.

In order to attract the financially excluded population into the formalized financial system, measures such as opening of No Frills account, easier credit facility, simpler KYC norms, use of information technology, EBT (Electronic Benefit

Transfer), Business Facilitator model, Self Help Group model, introducing financial literacy in school education, Credit Counseling and Financial Education, opening of new branches in unbanked rural centres and banking services in unbanked villages with a population of more than 2,000 etc have been initiated by the government.

Accessibility to banking services are estimated taking into account, the various states across India. Himachal Pradesh gets the first place, with 89.1 percentages among the 20 major Indian states in the estimation of ease of access to banking facilities and Assam has the least access of 44.1 percent. Uttar Pradesh tops the list for providing training to the Business Correspondents and Business Facilitators, closely followed by Andhra Pradesh. It is astonishing to note that Delhi falls to a lowest place in training programme. At the end of 2010-11, 74.4 million no-frills accounts (NFAs) had been opened by the banking system. The outstanding balance of savings in these accounts was of the order of Rs.65.6 billion. Banks have also opened 4.2 million overdraft accounts in select NFAs. The amount outstanding in these overdraft accounts was of the order of Rs.2 billion.

Kerala is placed at the top of the table with a financial inclusion index score of 0.54 against a possible score of 1. Predictably north eastern states i.e., Assam, Nagaland and Manipur make up for the last three places. The surprising entry is that of Sikkim which is placed eighth in the list of states. The All India average score in the index is 0.33. Only six states figure in the list with scores above the all India average and the 20 state figures below the all India average. It shows the unequal state of inclusion in the country.

Tamilnadu has the highest Credit-Deposit Ratio. The credit deposit ratio in Tamil Nadu is found to be the highest at 108.89 per cent which is higher than the all-

India ratio (72.58 per cent). This situation is attributed to the strong credit disbursement network prevalent in the State.

Chief Minister, Selvi. J Jayalalithaa called upon banks to double their efforts to make Tamil Nadu the number one State in financial inclusion. Tamil Nadu ranked seventh in the country on the financial inclusion index.

An attempt is made in the fourth chapter, to discuss in detail about the broad spectrum of financial inclusion in Virudhnagar district pertaining to the available socio- demographic attributes of the selected respondents of the study area, prior to and subsequent to financial inclusion.

Respondents were divided into two categories as those who are engaged in agricultural sector and non-agricultural sector. The respondents of our study primarily fall under low income group, not having bank account till they joined SHG. After joining SHG, they are financially better and improved and thereby they can be called 'financially included'. Majority of the respondents i.e 161 out of 403 have opened their bank account in 2009-10, which reflects the fact that almost all the respondents have been financially included by the year 2009-10.

The strongest source of inspiration to open bank account came from SHG leaders and members who encouraged the respondents to open bank account. After they become the members of the SHG, they are encouraged to open bank account for various purposes such as periodical savings, loan, and related activities. Nearly 55.83 per cent of the respondents have reported that SHG leaders and members have educated and motivated them to open bank account. Garrett's score indicates that, in the ranking system, motivation to get SHG rotation fund tops the list followed by motivation to save in the second rank and safety and security of funds has the third rank for opening an account.

Majority of the respondents i.e 299 respondents have reported to have two to five transactions per month and 40 respondents have reported that they have more than five transactions per month. The monthly savings of the respondents in bank account fluctuates from a very low amount of less than Rs.100 to a high amount of greater than Rs.500. After financial inclusion all the 403 respondents are aware that they can avail credits after joining SHG and subsequently their knowledge improved by attending the periodic meetings organized by SHGs. SHGs play a vital role to improve the awareness among the general public. All the 403 respondents have taken loan / rotation funds from SHGs whenever they were in need of funds in the last three years. Next importance comes to the banks from where 260 respondents have taken loan in the last three years.

Majority of the respondents i.e 188 are practically categorized as illiterates, and 123 respondents have studied up to primary school level. Majority of the respondents i.e 255 own concrete houses. It shows the fact that the housing conditions of the respondents seem to be fair and 332 respondents are the proud owners of houses of their own. The average size of family is calculated as 4.41 members. Around 134 respondents are from small size family consisting a maximum of three members in the family and 182 respondents have medium size family with four or five members. The large family with minimum of six members and maximum of nine constitute 87 respondents.

For a large number of respondents (187) per capita income is less than Rs.1500. The highest average man days of employment is enjoyed by the respondents whose per capita income is greater than Rs.4500, followed by the group with Rs.1500 – 3000 as their monthly income. Among the different sectors in which the respondents are engaged, after financial inclusion the respondents in the agricultural sector have generated more man-days, i.e 271 employment per year compared to the respondents in non-agricultural sector who have generated 266 man-days of employment per year.

Loan amount of the respondents vary from a minimum of Rs.1000 – 2000 to a maximum of Rs.4000-5000. The loan taken by almost all the respondents have increased after financial inclusion.

After financial inclusion the total income of the family is improved to a greater extent. Among the respondents who are engaged in agricultural sector total family income is less than Rs. 3000 per month for 21 (21.43 per cent) respondents, between Rs.3000 and 4500 for 31 (31.63 per cent) respondents and between Rs.4500 and 6000 for 27 (27.55 per cent) respondents. In the case of 19 (19.39 per cent) respondents of agricultural sector the total income of the family is greater than Rs.6000.

Among the respondents who are engaged in non-agricultural sector total family income has increased to greater than Rs.6000 for 45 (14.75 per cent) respondents. Altogether total income of the family is less than Rs.3000 for 95 (23.57 per cent) respondents only, after financial inclusion. For 152 (37.72 per cent) respondents total income of the family is in the range of Rs. 3000 - 4500 and for 92 (22.83 per cent) respondents it is in the range of Rs.4500 – 6000. For 64 (15.88 per cent) respondents total family income is more than Rs.6000 per month after financial inclusion. From the analysis it is concluded that the family income is comparatively higher for the respondents who are engaged in agricultural sector than to non-agricultural sector.

The scholar has framed the null hypothesis that, there exists no dependence between the respondents' income and the total family income. In order to test this hypothesis Chi-square test has been used. As the calculated value is greater than the table value at 5 per cent level, it is inferred that there exists dependence between the respondents' monthly income and total family income in agricultural sector and non-agricultural sector.

Chi-square test proves that there is no relationship between monthly income of the respondents and their family size in the case of the respondents of agricultural sector, and there is relationship between monthly income of the respondents and their family size in the case of the respondents of non-agricultural sector. The monthly income varied significantly for different groups among respondents involved in non-agricultural sector and agricultural sector.

Multiple log-linear regression model is used to assess the contribution of respondents to their family income. For the respondents of agricultural sector, R^2 is 0.7384. It indicates that 73.84 per cent variations in the dependent variables are explained by the explanatory variables. The variables namely earnings of the respondents and earnings of other members of the family were statistically significant at 5 per cent level. For the respondents who are engaged in non- agricultural sector, the value of R^2 is 0.7917 which indicates that 79 per cent variation in total family income are explained by the two independent variables included in the model. Both the variables were statistically significant at 5 per cent level.

From the estimated value of regression equations for total respondents engaged in both agricultural sector and non- agricultural sector, it has been found that the coefficient of multiple determination (R^2) has been 0.7621 indicating that 76.21 per cent variation in total income is explained by the explanatory variables.

In the case of respondents from agricultural sector the proportion of respondents with investment above Rs.3000 are comparatively higher than the proportion of respondents from non-agricultural sector. Hence it is derived that the respondents who depend on agricultural sector have higher investment after financial inclusion. It may be due to the high confidence level of respondents towards investing in agricultural sector.

The financial inclusion through SHGs is a successful model, in enhancing the standard of living of members through improvement in their assets position. On an average, there are significant changes in the asset position of members during Financial Inclusion period.

Enhancement in the level of saving is attained by the members coming under the saving category of Rs.3000 and above and between Rs.2000-3000. Nevertheless, all the 403 respondents were able to save more after financial inclusion, than earlier. Housing conditions of the respondents have improved a lot after financial inclusion. After financial inclusion with increase in the income of the respondents and also with improvement in the economic and social status of the respondents the facilities available in the houses have also been improved.

The houses have been electrified in the case of all the respondents of agricultural sector and non-agricultural sector. 18 respondents (18.36 per cent) of agricultural sector reported that their houses have toilet facilities before financial inclusion and it has increased to 73 (74.48 per cent) respondents after financial inclusion. Drinking water facility was available in the houses of only three (3.06 per cent) respondents before financial inclusion and it has increased to 18 (18.36 per cent) respondents' houses after financial inclusion.

Only 22 respondents (22.45 per cent) who were engaged in agricultural sector had separate room for kitchen before financial inclusion. But after financial inclusion all the 98 (100 per cent) respondents have separate room for kitchen in their houses. Changes have been noticed with regard to the availability of television also. Now all the respondents are the proud owners of television. Similarly the furniture possessed by the respondents has improvements after financial inclusion. With reference to the respondents of non-agricultural sector also, housing conditions are proved to be improved a lot after financial inclusion

The Head count ratio has been reduced to 46.89 per cent overall. The Gini coefficient of concentration ratio has been increased to 45.53 per cent which means that there has been a marginal increase in inequality in the distribution of income after financial inclusion through SHG scheme. The Sen's Index of poverty shows that the intensity of poverty among the people living below the poverty for the overall members has declined from 0.6911 to 0.4211. The SHG members have generated more income after Financial Inclusion. The increased income level helped them to move above the poverty line. Therefore it is found that Financial Inclusion through SHG scheme has reduced the poverty of the respondents to a certain extent.

The economic empowerment of respondents through SHG has been measured in terms of increase in per capita income, value of family assets, savings, and by the amount borrowed by them. The indices of economic indicators of each member are prepared for the period before and after financial inclusion.

The average economic index of the respondents who are engaged in agricultural sector increased by 29.22 and for those who are engaged in non-agricultural sector, the average economic indices increased by 40.97 after financial inclusion.

Among the respondents who are engaged in agricultural sector, all the 98 respondents are proud to inform that their social status is enhanced after financial inclusion.

Average economic and social empowerment index for the respondents of agricultural sector was 31.82 only before financial inclusion and it has increased to 65.25 after financial inclusion. This index has an increment of 33.43 after financial inclusion. Economic and social empowerment index has increased from 29.23 to 66.70 during the two periods for the respondents who depend on non-agricultural sector. All the 305 respondents from non-agricultural sector have reported that their self confidence increased after they are financially included. Functional literacy of all the respondents i.e respondents from agricultural sector and non-agricultural sector improved because of the efforts put forth by SHGs.

After financial inclusion because of the attempts taken by NGOs and SHGs, all the respondents who are engaged in non-agricultural sector exercise their franchise as per their wish. 47 respondents who are engaged in agricultural sector take decision on family budget by themselves after financial inclusion. Among respondents engaged in non- agricultural sector 132 respondents take unanimous decision on family budget after financial inclusion. 41 respondents who are involved in agricultural sector and 145 respondents engaged in non- agricultural sector take decisions unanimously on matters relating to children's education in their family. 43 respondents who are involved in agricultural sector and 124 respondents of non-agricultural sector take independent decisions regarding health and medical care. 24 respondents of agricultural sector and 83 respondents of non-agricultural sector take independent decision by themselves on buying home appliances. Respondents are in a position to make decision on her own regarding the gifts to be distributed.

In order to ascertain whether the respondents working in different sectors have caused significant variation in empowerment scores, one way ANOVA test was carried out. The results of one way ANOVA test reveal that there is a significant variation in empowerment scores between the respondents of agricultural and non-agricultural sector in the study area after financial inclusion. 215 respondents enjoyed high level of financial inclusion and 120 respondents inform that they enjoyed medium level of financial inclusion.

The SHG is a viable alternative to achieve the objectives of rural development and specially women empowerment. Through the SHG, the micro credit is disbursed to rural women for the purposes of making them enterprising women and encouraging them to enter entrepreneurial activities. Credit needs of rural women can be fulfilled through the SHG.

It paves the way for the empowerment of women and builds confidence in them. After the group stabilizes over a period of six months or more in the management of its own funds, it conducts regular meetings, maintains savings and gives loans to members on interest. The SHGs are linked with the banks for external credit under the projects of rural development. The banks provide assistance for various entrepreneurial activities such as setting up of small shops, vegetable shops, tailoring units, charcoal making units, dairies etc.,

The borrowers repay the bank loans properly. The SHGs repay more than 90 per cent loans of the banks on time. Besides focusing on entrepreneurial development and empowering women, SHGs concentrate on all-round development of the beneficiaries and their village as a whole. The groups undertake the responsibility of delivering non-credit services such as literary, health and environmental issues. The concept of SHG moulds women as responsible citizens of the country and enables them to achieve social and economic status.

The distinguishing feature of this approach as compared to other government sponsored credit system is that it imparts the knowledge of managing money to its subscribers before they go for availing any loan from the banks. Moreover, the SHG approach does not involve any subsidy, hence it can sustain with its own strength. In financing SHGs, the requirement of collateral by banks has been replaced by peer group pressure and hence, this approach has enabled social and economic inclusion of women. Thrift and saving habit has increased after joining SHG and more members started earning without depending upon other family members due to the taking up of income generating programme and deposit the amount as savings.

Self confidence and self esteem of women increased along with their social status. Access to basic welfare amenities, has resulted in increase in social empowerment. There is a need to improve the literacy skills of the SHG members, as most of the members are dependent on others especially, for the maintenance of records and accounts of the SHG due to illiteracy. The levels of participation of women in decision making process within the family of the SHGs was remarkable giving rise to change in the attitude and behaviours of men towards women.

The SHG programme is found to be having a favourable impact on the living standards of its beneficiaries. It holds better promises for poverty alleviation and employment generation than the earlier programmes due to its structure of easy credit, savings and peer monitoring. The self-regulating mechanism of SHG scheme tends to ensure financial discipline, which in turn would contribute to the sustainability of the micro-finance operations.

This would in turn ensure the sustainability of the programme through sound financial management and behavioural aspects, comprising group cohesion, transparency, regular saving and participatory decision-making.

The peer pressure enable the group to minimize the aggregate risks of failures, savings and credit is a continuing process and not a one-time affair. Banks grade the

SHGs for credit support based on parameters of group dynamics, regularity in savings, internal lending, participation level, etc, NGOs grade the SHGs before recommending them for bank loan and, bank loans are granted only after initial savings and internal lending has stabilized.

Challenges

Financial inclusion is a enormous stride to alleviate poverty and to ensure that the financial system plays its due role is one of the prime challenges facing the emerging economies like India.

With the automation of core banking processes and the use of channels such as ATM, IVR based tele-banking, Internet banking, the banking industry has become lean and more profitable. Banks however, face an uphill task in reaching out to the mass customers in remote locations such as villages. Infrastructure cost, operating expenses, security, understanding of customer behaviour and risk associated with it, and low and slow Return-On-Investment (ROI) inhibit banks from expanding into the rural market.

- Lack of reach, higher cost of transactions and time taken in providing those services seem to be major barriers to Financial Inclusion.
- Appropriate Business Model to suit urban poor and rural people may be introduced.
- Efficient delivery mechanism need to be identified.
- Financial literacy and financial education need to be taken up on large scale.
- Lack of co-ordination among different entities must be overcome. Information and Communications Technology (ICT) based BC Model must be stabilized.

- Awareness of the public towards BC / BF model is low. This is true even among many bankers. As such, this concept has to reach them in an effective manner for the success of the model.
- Private Banks and Public Sector Banks with local flavor are not able to penetrate through BC / BF as they are not having sufficient number of rural branches to be used as base branches.
- Cost of account opening and maintenance is initially very high. Of course, recent RBI instructions permit the banks to recover reasonable cost from the customers.
- As per the BC / BF guidelines, banks can outsource operations but cannot delegate responsibilities. They have to take all risk mitigation measures to safeguard the interest of the bank as well as the customers.
- As most of the accounts opened under this model are becoming dormant, they are not generating any income for the BCs. This is also dragging the feet of opening new BCs.
- Many banks are implementing the Financial Inclusion initiative primarily for payment of social security benefits, which is also making the BCs to work only for a limited period in a month, thus not generating sizeable income / commission to them.
- Financial institutions pass the access cost onto customers, who need to travel to distant branches and face long queuing time. In turn, many poor people reject financial institutions that serve the middle and upper classes. They do not trust them, and do not feel equipped to deal with them.

Suggestions

Purely based on the investigations made in the study area, in support of the findings discovered, and based on the oral discussions with the respondents during investigation period, the scholar has emerged with some suggestions:

Financial literacy, education, awareness and credit counseling are required, which are considered as core to the achievement of financial inclusion, particularly to the poor and marginalized sections of the society, who face persistent downward financial pressures.

Advice on money management, savings and affordable credit to the last-mile clients-especially the vulnerable groups, either as individuals or as groups is desirable.

Banks may utilize various IT based financial inclusion such as biometric smart cards, mobile phones, ATM etc. in the rural area. Credit counseling centres should be established in rural areas by the banks. Banks should also provide credit assistance to villagers to fulfill their social needs. Banks may provide training to entrepreneurs for the use of credit facilities. E- banking will help eliminate several layers of middlemen who manage, and often siphon off, government-allocated funds earmarked for low-income group.

By creating awareness among staff, providing encouragement to the staff and recognizing the efforts of the operating functionaries at the ground level, banks can get better results in implementation of Financial Inclusion. Banks / RBI should conduct awareness camps about Financial Inclusion to the Bank staff.

The negative thought prevailed among the poor that 'Financial Inclusion is not profitable' should be erased from the minds of operating functionaries through proper pricing of the Financial Inclusion products.

'Banking to the Poor is not Poor Banking'. Financial Inclusion is not always only Social Banking. There is lot of potential to get business from the people at the bottom, as amply shown by the Self Help Group movement in the past 10 years and more. This should be imbibed in the minds of operating functionaries.

- ❖ BC / BF model can become viable only if the range of services to be delivered through BC / BF model are not restricted to opening 'no-frills' accounts for payment of social benefits / wages, but include micro-credit, micro-insurance, remittances, and all such activities as approved by RBI.
- ❖ The banks should carry out a detailed review of the performance of various BCs engaged by them at least once in a year. This will help in ensuring (i) enthusiasm of the BC / BF at optimum level, (ii) mitigation of various risks, and (iii) proper upgradation of the systems and procedures.
- ❖ Banks should always attempt to bring in new technologies to manage the risks as well as to increase the outreach in a cost effective manner.
- ❖ The BC / BF or their agents are to be trained properly about the bank products / services so that the relevant services can be offered to the customers.
- ❖ Banks should put in place Grievance Redressal Machinery within the bank for prompt redressal of complaints about services rendered by the BCs / BFs and give wide publicity about it through electronic and print media.

POs can act as agents under the Banking Correspondent regulation for branchless banking and can open no-frills accounts on behalf of the banks.

Every time a poor person earns money there is a saving opportunity. It must be exploited by helping them to deposit (and withdraw) money near the places where he / she live and works. Accessibility is an important factor.

Awareness must be created to know the significance of financial planning and products like insurance and credit cards.

Branch infrastructure may be shared to reduce the overall transaction cost of banks.

ATMs should have an attendant (preferably trained localite) who can give operational guidance to villagers.

Local people and NGOs may be appointed as Business Correspondents and facilitators, to provide banking services.

In those villages where SHGs play an important role, a lady correspondent having local feel shall be nominated by Bank(s) to act as intermediary between banks and villagers, particularly women.

Mobile offices may extend banking facilities through a well-protected truck or van may visit the villages on specified days / hours.

Banking services must be provided in the hinderland and high operational costs associated with the low value large volume transactions must be minimized. Existing technical and commercial infrastructure, must be fully used. It is important that there are adequate road, rail, digital connectivity and adequate power and infrastructure facilities which are important pre-requisites for operation of banking services.

Profit oriented MFIs must be encouraged to be business correspondents of banks for financial inclusion. This would enable their clients to access insured deposits, national payments system and remittance services.

Private enterprises may develop cost effective products and services for low-income households. Simple and flexible products and services may be provided at affordable cost for the people.

In order to give financial education and reach the maximum number of people in an efficient manner, banks need to have credit counseling centre, robust risk management practices, technology, skilled manpower and very sound marketing practices.

The government can play an active role in all-round development of the members by the helping the NGOs which work for the promotion of SHGs by providing credit facilities, education etc.

Exposure visits to SHGs especially to other parts of the state or district can be promoted so as to develop interest among the members in taking economic or income generating activities.

Supervision by both Government authorities of IKP officials and group leaders or peer members and adherence to bye-laws, protects the interests of both the savers and borrowers, which tends to result in the orderly growth of the micro-finance sector.

In order to make financial inclusion successful, a win-win solution set is to be provided to both the parties-the provider and the beneficiary. In other words, it should be viable investment alternative to the financial institutions and should also be an attractive one to the borrowers. The financial institutions, especially the banks, can accelerate the financial inclusion process by increasing enrolment of SHGs through bank linkage programme, designing appropriate product on the basis of the requirement of a particular group of borrower, leveraging technology to reduce the opportunity cost of financial inclusions in the rural areas, applying business facilitator and correspondent model more intensively and, inspecting the infrastructure of rural branches of the banks.

Poor people experience problems of making remote payments, unsafe to travel with cash, difficult to hang onto cash balances beyond pocket money due to both safety and discipline issues and there is little or no build up of a financial history that can help individuals gain trust from creditors from various sources.

Conclusion

Financial inclusion has been made an integral part of the banking sector policy in India and financial inclusion in a mission mode through a combination of strategies ranging from relaxation of regulatory guidelines, provision of innovative products, encouraging the use of technology and other supportive measures for achieving sustainable and scalable financial inclusion. Financial inclusion is the gateway for achieving inclusive growth in India. Today, while India may record a GDP growth rate of over seven per cent, about fifty percent of the Indian population lives in poverty. The fundamental aim of financial inclusion is the integration of below poverty line people into the mainstream economy. It is time to ensure that all the Indians should have access to basic banking services for achieving sustainable economic development. Banks should adopt a clear policy as "banking for all", and "education for all". Further, efforts must be made to move from the concept of "anytime, anywhere banking" to "anytime, anywhere and to everyone banking".

To sum up, financial inclusion is the road that India needs to travel toward becoming a global player. Financial access will attract global market to India, which will result in increasing employment and business opportunities. Inclusive growth will act as a source of empowerment and allow people to participate more effectively in the economic and social process.

Although financial inclusion has become the buzzword in present-day financial circles, there are miles to go before it becomes a reality in the rural area.