Advances in Economics and Business Management (AEBM)
p-ISSN: 2394-1545; e-ISSN: 2394-1553; Volume 2, Issue 11; July-September, 2015 pp. 1060-1066

http://www.krishisanskriti.org/Publication.html

Empirical Analysis of Financial Inclusion in India –with Special Reference of Madhya Pradesh and Chhattisgarh

Nenavath Sreenu

Department of Business Management, Indira Gandhi National Tribal University (A Central University), Madhya Pradesh -484887

Abstract—*As the greater part of the rural population is still not included in the comprehensive growth, the concept of financial inclusion becomes a challenge for the Indian economy. Since 2005 onwards many rigorous measures are initiated by the Reserve Bank of India, Commercial Banks in India, and Government of India in support of financial inclusion to the majorly in rural development but the impact of these did not acquiesce satisfactory outcome. Financial inclusion plays a major role in driving a way the poverty from the country. Financial inclusion is delivery of banking services at an affordable cost to the vast sections of disadvantaged and low income groups. The main focus of financial inclusion in India is to promote sustainable development and generating employment in rural areas for the rural population and the financial inclusion is a critical for achieving inclusive growth in the country. The objective of this Research study is to discussed about the conceptual aspects of financial inclusion, point out the reasons for financial exclusion, highlight the measures taken by Reserve Bank of India for promoting financial inclusion and the role of banks towards financial inclusion. The present study is based on secondary data and Primary Data collected from Field Study at Village level, different publications, journals, and news paper and websites. Government of India and Reserve Bank of India has taken various initiatives. The paper discusses the role of financial inclusion in the economy and how the different stakeholders play an important role in developing the whole initiative.*

Keywords*: Financial, Inclusion, Growth, RBI, Economy, stakeholders and Banks*

1. INTRODUCTION

The emerging trends in financial inclusion have gained growing attention among developing countries Policymakers and central bankers from around the world. The Emerging economies enhanced interest towards economic growth with specific interest on the factors that lead to higher savings and investments, which have been viewed as important determinants of economic growth (Anita Gardeva and Elisabeth Rhyne., 2011)1.The present pattern for savings, and investment, has been developed with the objective to address the hypothetical and empirical issues and to steer the design of enhanced policies and improvisations of methodologies in practice. Although India has made improvement in financial inclusion in the past few years, but IMF Financial survey shows that “India lags behind with other emerging nations in financial inclusion by a significant margin” (Nair, 2012)

Our nation was able to grow at a faster rate during the past decade among the growing economies of the world attracting lot of international attention. But this higher economic growth is more confined to some affluent sections and failed to take care of the well being of the large number of deprived and marginalized sections due to various structural rigidities. Moreover economic growth to be sustainable, it requires all sections of the society included and participating in the growth process. Financial inclusion is one of the methods through which Inclusive Growth can be achieved in India where large sections are unable or incompetent to participate in the Financial System.

2. LITERATURE SURVEY

The Regional Rural banks or the Grameen Banks(GB) are playing a vital role to combat against the financial exclusion .The most conventional banks grant credit based on collateral assets, GB give loans without any kind of collateral. GB has been successful in overcoming the problems of informational asymmetry often found in rural financial markets. This bank replaces collateral by peer pressure and social sanctions. The extremely poor can get small loans at GB if they form groups of five people. Each member of the group receives an individual loan; however, they are mutually responsible for all five credits. The bulk of GB’s borrowers are women who constitute the weakest social group among the rural poor. Lending money to women has largely enhanced recoverability for GB’s loans (Hassan, 1997). It is often argued that the financial sector in low-income countries has failed to serve the poor. The failure of the formal and informal financial sectors to provide affordable credit to the most disadvantaged portion of the society is often viewed as one of the main factors that reinforce the vicious circle of economic, social and demographic structures that ultimately cause poverty (Chowdhury, 2005).

3. FINANCIAL INCLUSION IN INDIA

Financial Inclusion in India is not a new one. Nationalization of banks, priority sector lending stipulations, the lead bank scheme, establishment of Regional Rural Banks, launch of Self-Help Groups-banks linkage programmes were all part of the Reserve Bank of India's initiative to provide financial access to the unbanked and under-banked masses. However, the momentum gathered after 2005, when the regulator highlighted the need for financial inclusion in its Annual Policy Statement, and a symbolic beginning was made in the same year, India Bank brought all households in Mangalam Village in Pondicherry within its fold. The Reserve Bank of India's vision for 2020 has envisaged on opening of nearly 600 million new customers' accounts and services them through a variety of channels by leveraging on Information Technology. However, illiteracy and the low income savings and lack of bank branches in rural areas continue to be a road block to financial inclusion in many states. The importance of financial inclusion arises from the problem of financial exclusion of nearly 3 billion people from the formal financial services across the world. With only 34% of population engaged in formal banking, India has, 135 million financially excluded households, the second highest number after China. Further, the real rate of financial inclusion in India is also very low and about 40% of the bank account holders use their accounts not even once a month. Financial Inclusion has far reaching consequences, which can help many people come out of abject poverty conditions. Therefore, India being a socialist, democratic republic, it is imperative on the policies of the government to ensure equitable growth of all sections of the economy. The financially excluded sector in India consists largely of landless labourers, oral lessees, marginal farmers, unorganized sector work-force, urban slum residents and socially excluded groups. With 82 percent of India's poor households located in rural locations, vast majority of rural India can be considered as financially excluded. Some of the important causes of relatively low extension of institutional credit in the rural areas are risk perception, cost of its assessment and management, lack of rural infrastructure, and vast geographical spread of the rural areas with more than half a million villages, some sparsely populated (Mohan, 2006). Table 1 indicates that, out of 32902390 total current account and savings account of banking services in All India. 27.44 per cent of total account in South India, 20.71 per cent of total account in Central India, 17.65 per cent of total account in North India, 16.42 per cent of total account in West India, 15.48 per cent of total account East India, 2.3 per cent of total account in North East India. So, it is concluded that, the maximum no of 27.44 per cent of total account in South India.

4. RESEARCH GAP

A number of intellectual explored the studies have been authored on Rural Banking (Moschini Giancarlo, 2008; Dongre, 2010; Jackson V. P, 2011; Whitelaw, 2011). Similarly several academic outputs are available in the domain of financial inclusion (Jones, 2006; Michael, 2009; Bihari, 2011; Kumar, 2011). Confining the scope of the financial inclusion only in terms of banking services indirectly interprets the fact that it is the baby of RBI which by default restricts the inclusive agenda into a narrow perspective. The real financial inclusion will be possible if all the financial regulatory bodies of India can jointly campaign and take the necessary steps to implement the propaganda of the financial inclusion. This area has been neglected for a long period of time as hardly any research publication was made in this context.

5. SCOPE OF THE STUDY

The scope of this research has been bridge the gap of existing product strategies, technological model and credit delivery strategies for financial inclusion. This research may facilitate Self-Service technology solutions which are essential to address the scalability and sustainability challenges facing financial inclusion. The research will provide main key learning's that policy makers, financial institutions, and technology providers can use to establish innovative economic strategies to fulfill the demand. Therefore, Innovative economic strategies will provide an economic framework that explains and helps support growth, As per the Rangarajan Committee report (2008) Financial Inclusion is defined "as the process of ensuring access to financial services and timely and adequate credit where needed by vulnerable groups such as the weaker sections and low income groups at an affordable cost". Broadly speaking, Financial Inclusion is the delivery of banking services at an affordable cost to the vast sections of disadvantaged and low income groups.

6. OBJECTIVES OF THE STUDY

- To examine the extent of availability and access of financial services provided by commercial banks and identify the major constraints faced by the borrowers in the access of financial services.
- To examine the growth of financial inclusion and assess the challenges in financial inclusion in India.
- To study the economic development theories, Indian rural finance landscape and empirical studies on Financial inclusion in MP and CG
- The study the index of financial inclusion for MP and CG and To estimate the Index of Financial Inclusion at Mandal/Block level and household level

- Explore the opportunities to create the awareness about the utilities of the several instruments of money market, capital market, insurance sector and pension fund in the mind of downtrodden section of the society.

7. STATEMENT OF THE RESEARCH PROBLEM

- A major cornerstone of inclusive growth is to ensure that the benefits and fruits of growth reach the bottom of the pyramid population especially, vulnerable social and sectoral groups particularly tribal dominance district in MP and CG.
- Inclusive growth in India hence remains a mirage, and will avoid us, save a radical transformation of the entire tools of how the Indian State functions in the grassroots.
- MP and CG has sufficient schemes, rules, and directives aimed at expanding banking coverage and ensuring service to the unbanked population particularly social groups.
- There is no end of schemes, plans, and regulations aimed at providing financial services and products to the poor people. For the unbanked it is a challenge to gain access to banks and the services they offer.
- The unending stream of new initiatives and orders in this regard clearly demonstrates that all these have failed to achieve their basic objective of financial inclusion.

8. SIGNIFICANCE OF THE STUDY

The literature reviews revealed that there is a gap in the literature and there are no so much studies found on status of financial inclusion at rural households in MP and CG in the literature. The literature reviews presented in the earlier studies are very few at micro level. The majority of the studies are only at macro level but not at the micro level with empirical studies. Those studies focused on business strategies and technology aspects. But there are no any studies on status of financial inclusion at rural households in MP and CG up to now. In this regard the present study assures importance and enumerating the need of the status of financial inclusion at rural households in MP and CG. The main thrust of the study is to examine the status of financial inclusion in particularly Tribal Villages, and the need to consider the economic strategies to achieve overall goal. The present study will help the academicians and policy makers in understanding the importance and growth of financial inclusion in India. The Indian economy is a growing economy in the world. Majority of the population in India resides in rural areas. Thus, development of rural India is a key step towards economic development for a country like ours. Proper access to finance for the rural people is a key requisite to employment, economic growth and poverty reduction which are primary tools of economic development.

9. METHODOLOGY

The researcher has adopted RBI methodology to measure the Index of financial Inclusion. The Reserve Bank of India has conducted study on “Financial Inclusion in India: A case-study of West Bengal” Sadhan Kumar Chattopadhyay, published by RBI, 2011, Based on the RBI methodology, the study has taken into account a Multi stage approach; used to measure three dimension of Financial Inclusion based on Banking Statistic reports, and households have been identified as the basic unit for measurement of financial inclusion in the state of MP and CG .

Sampling Design: Multistage sampling has been selected for this study the sample households survey through structure questionnaire as well as semi-structure questionnaire also. Sampling has been done in four stages and each stage is described in a detailed manner. The study area covers 36 villages from 12 mandals within six district of Madhya Pradesh and Chattishghar in order to understand the nature and extent of financial inclusion in the States. Besides, the study has focused, inter alia on socio-economic indicators like occupation, education, landholding pattern, annual income, and financial inclusion dimensions of people’s opinion about banking services and how many members have bank accounts.

The four stages sampling methods are

First Stage: In the first stage the researcher preferred using a stratified sampling technique to select the Madhya Pradesh and Chhattisgarh as guarantee representativeness. In this stage the researcher will measure the Index of Financial Inclusion, districts wise on secondary data of banking statistics in both states. The results will provide Index of Financial Inclusion (IFI) ranks such as forward is the first rank and backed is the least rank and factor analysis.

Second Stage: The units selected at this stage are usually called Primary Sampling Units (PSUs). A self-weighted stratified systematic sampling technique are recommended to select PSU based Index of Financial Inclusion results.

Third stage: The third stage selection consists of blocks or Mandals, and then selecting 12 blocks or Mandals of this third-stage (TSs) from each selected Villages. Again, self-weighted stratified systematic sampling techniques are recommended in the selection (Mandals/Blocks) based on Index of Financial Inclusion results.

Fourth stage: final stage the study has been selected 36 Villages in MP and CG. The control variables have special characteristics to be used in the selection of the sample households. Those special characteristics such as social groups (SCs, STs, BC and Minorities) and sectoral groups (Agriculture labourers, wage laboures, Small & marginal farmers, women, children and disability persons) and BPL households are given to the priority.

Selected Districts, Mandals, and Villages in both states

Name of the states	Name of the district	Name of the Mandal	Name of the Village
Madhya Pradesh	Anuppur	Jaithari	Chhirpani, Behnadawar, Dodhipani and Khairi
		Pushparajgarh	Baghadi, Barbaspur, Bar sot, and Bartola
	Shahdol	Beohari	Bara , Baghelaha, Baraha Tola and Barahtha
		Jaisinghnagar	Dongarsarwar, Duari, Gajani, and Gajwahi
	Mandal	Ghughari	Bhabhera Mal., Bhabhera Ryt. Bhadari, and Bhainswahi (Khinha)
		Bicchiya	Jhalpani Mal., Jhanjhnagar Jhinjhara, and Jhurki.
Chhattisgarh	Dantewada	Kuakonda	Dugeli, Dumam, Fulnar, and Gadapal
		Chhindgarh	Muskel, Nerli, Netapur, and Padhapur
	Rajnandgaon	Dongargarh	Renga Kathera, Riwagahan, Sahaspur Dalli1, and Saloni
		Manpur	Tumdi Lewa , Turipar, Uparwah and Usaribod
	Bilaspur	Pendra Road Gorella	Andu, Anjani, Badhawan dand, and Bagra
		Marwahi	Amera Tikra, Bahrijhorki, Dandiya,and Ganaya

The study involved extensive surveys using the questionnaire method in the state of Madhya Pradesh and Chhattisgarh. Although the field work was based in of Madhya Pradesh and Chhattisgarh, the scope of the findings is national. The Qualitative as well as quantitative data was collected. Appropriate statistical tools were used to analyses the data and its implications on the social and economic/public policy in both states, which will be discussed in the final section. For this study collected secondary data from various sources the study is basically a descriptive one. The study tries to review, what role the post office is playing in financial inclusion made.

Database and Analysis

This study is exclusively based on primary and secondary data. At the primary level household data is collected from six districts of MP and CG. The Banking Statistical Returns (BSR) statements published by RBI at the national, at the state and district level, Lead Banks reports, and NABARD reports are the basis for the analysis. Secondary data was collected from the National Sample Survey organisation(NSSO) reports, Centre for Monitoring Indian Economy(CMIE) reports, and mainly from six districts lead banks, district credit reports and statistical reports, Census of India, Economic survey, MP and CG Economic Statistical survey, RBI bulletin, RBI occasional papers, and world bank working papers & reports, IBS reports, OECD reports, World Economic Forum reports, international journal of articles, books, Economic Review, Indian Economic Journal, Financial Express, Internet documents and web reports etc.,

10. MEASURING INDEX OF FINANCIAL INCLUSION

The proposed IFI takes values between 0 and 1, zero indicating complete financial exclusion and 1 indicating complete financial inclusion. The quantitative analysis will measure the Index of Financial Inclusion (IFI) computed by first calculating a dimension index, for each dimension of financial inclusion. There are three basic dimensions of an inclusive financial system – Banking Penetration (BP), Availability of the Banking Services (BS), and Usage of the Banking system (BU). The main reasons for selecting these dimensions are useful to compare the levels of financial inclusion across the micro economic levels and across states and districts which can be used to monitor the progress of policy. In this case IFI is computed by first calculating a dimension index for each dimension financial inclusion.

$$\mathrm{Di} = \frac{Ai - Mi}{Mi - mi}$$

Where,

A= Actual value of dimension **i**.

M=minimum value dimension **i**.

m= maximum value dimension **i**.

Formula (1) ensures that $0 \le di \le 1$. Higher the value of d_i higher the state's achievement in dimension i. if n dimension of financial inclusion are considered, then a state **i** will be represented by a point Di = (D1, D2…….Dn) on the **n**-dimensional Cartesian space.

$$IFIi = 1 - \frac{\sqrt{(1-\mathrm{d1})^2 + (1-\mathrm{dn})^2}}{\mathrm{n}}$$

11. HYPOTHESIS TESTING

Using data on all three dimensions (penetration, availability, and usage in MP and CG) for IFI values have been computed. The Hypothesis formulation is based on the literature review and preview studies. The researcher will predict quantitative study model the proposed. IFI takes values between 0 and 1, zero indicating complete financial exclusion and 1 indicating complete financial inclusion.

H-value	**Interpretation**
(H1) $0.5 < IFI \le 1$	Excellent: - financial inclusion
(H2) $0.3 \le IFI < 0.5$	Very Good:- level financial inclusion

(H3) $0 \leq IFI < 0.3$	Good: - level financial inclusion

12. REGRESSION MODEL SPECIFICATION

Financial inclusion is determined by multiple factors like infrastructural development, economic development, type of financial products, financial literacy etc. Financial inclusion can be measured both from saving as well as credit aspects of financial inclusion. However, the present study attempts to measure the financial inclusion from credit widening and credit deepening aspects of financial inclusion. There are four independent variables in the model. The selected independent variables are being taken based upon the various literatures on financial inclusion. Number of credit accounts and amount of credit/Debit disbursed per 300 adult populations has been taken as two dependent variables in the model. On the other hand level of economic development, financial literacy, branch density, percentage of credit linked SHG households are taken as independent variables. Per capita income, literacy rate are proxy variables of level of development and financial literacy respectively.

13. REGRESSION EQUATIONS:

Model: $Cw = \alpha1+\alpha2x2+\alpha3x3+\alpha4x4+\alpha5x5+\mu1$........ (1)

$Cd = \beta1+\beta2x2+\beta3x3+\beta4x4+\beta5x5+\mu2$........ (2)

Where X2=Per capita income of state of MP and CG
X3=educational Qualification
X4= Bank Availability in rural area and specially in tribal dominance of which we have selected district in MP and CG
X5=No. of SHG groups having access to credit and Debit
$\alpha1$, $\beta1$ are intercepts.
$\alpha2$, $\alpha3$, $\alpha4$, $\alpha5$, $\beta2$, $\beta3$, $\beta4$, $\beta5$ coefficients.
$\mu1$ and $\mu2$ are disturbances terms

Dependent Variables	**No of credit account per 300 Adult population**	**Amount of debit disbursed per 300 adult population**
Per capita income (X2)	.000163124 (0.961)	.0000985 (2.08)**
No. Of persons having education per 300 adult population (X3)	.73420009 (0.55)	.0020767 (0.36)
Population per branch (bank facilities) (X4)	-.00643 (-0.01)	-.0000733 (-0.59)
No. Of SHG having access to credit through Self help group bank linkage programme (X5)	.000876 (1.39)*	6.90e-06 (2.31)**
Intercepts	.543 (0.00)	.7809542 (0.23)
R^2	0.2317	0.7838

Note: Significance at *1 per cent, ** 5 per cent

Comprehensive measure of financial inclusion for State of MP and CG.

According to below table it shows that the average number of deposit account is 43 while the average number of credit account is only 6.65 per hundred populations. As a result, average savings widening of the states shows a reasonable picture of financial inclusion, still there is a wide discrepancy. Conversely, the figure of credit widening is disappointing. The standard deviations of the number of banks per lakh population and per thousand square kilometers show that bank branches have been extended in accord with the strength of population but not in accordance with the physical area. It may be a ground of the high level financial exclusion of the both states (MP & CG). The average saving-income ratio of the states is quite high. 54.32% of net state domestic income has been covered by institutional credit which appears to be an excellent indication of financial inclusion. It is seen that there is a wide deviation among the states in terms of per capita savings and in terms of per capita loan outstanding. There has been a conspicuous increase in the number of SHGs throughout the states (MP&CG).

1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**
Mean	19.76	5.87	24.23	58.64	42.43	6.65	54.32	16.21	9.42	19.01
S.D	18.46	3.39	12.15	22.04	32.59	2.18	12.58	9.43	3.00	134.34
Max	0.95	0..42	7.55	18.71	10.83	0.99	1.20	1.63	16.2	0.40
Min	103.5	1.87	72.91	89.56	1.84	7.81	72.60	32.47	10.0	14.33

1. Statistics,
2. No of banks per thousand kms (credit extension n),
3. No of banks per lakh population,
4. Credit net state domestic ratio,
5. Deposit net state domestic product ratio,
6. No of deposits accounts per hundred populations,
7. No. of credit accounts per hundred population,
8. Per capita Savings ('000) (saving widening),
9. Per capita Loan Outstanding ('000) (Credit Widening),
10. Credit deposit ratio (%) and
11. No. of SHGs per hundred poor population

14. KAISER-MEYER-OLKIN (KMO)

The value of Kaiser-Meyer-Olkin (KMO) is 0.628 which indicates that the sample size in this study is satisfactory for factor analysis. The value of chi-square in Bartlett's Test of Sphericity is statistically noteworthy. It authenticates that the selected indicators of financial inclusion are inter correlated.

Consequently, PCA is suitable for analyzing the magnitude of the selected indicators in financial inclusion.

KMO and Bartlett's test Results

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.628
Bartlett's Test of Sphericity	Approx. Chi-Square	257.529
	DF	37
	sig	.021

15. LIMITATION OF THE STUDY

The study has covered six districts from MP and CG only, which is a representative sample. The study is limited to the house Hold survey of the Self Help Group, commercial scheduled banks and RB1s with respect to their financial inclusive growth performance. The main limitation is to compare data of banks in the country; the number of observations is too small which is a major constraint to generalize the observations in the study. Some of the difficulties are lack of unpublished information, particularly accounts of the banking customers, access to finance and utilization of banks services. Thus confined to a specific area this study does not and cannot represent views and ideas of all the banks of the country.

16. CONCLUSION

1. The problem of financial segregation needs to be tackled with exigency if we want our country to grow in an equitable and sustainable manner. Traditional and conventional banking solutions may not be the answer to address the problem of financial inclusion in India.

2. The entire world is looking at this experiment in India and it is important that banks rise up to This challenge and meet it successfully. The current policy objective of inclusive growth with financial stability cannot be achieved without ensuring universal financial inclusion. Pursuit of financial inclusion by adoption of innovative products and processes does, however, pose challenge of managing trade-offs between the objective of financial inclusion and financial stability. In the Indian context, the Reserve Bank has always sought to balance the risk of partnerships and product innovations with the ability to achieve greater penetration in a safe, secured and prudentially sound manner.

3. The Financial inclusion is, therefore, already happening in pockets across the country, and needs to be expedited along the length and breadth of the country. RBI's relentless recent efforts in this direction is beginning to work and one can see that the move to achieve 100% financial inclusion.

4. RBI and GOI are very closely monitoring the progress of implementation of the FIPs of commercial banks and are encouraging them to achieve what once seemed to be a gigantic task in a vast country like India. Even though banks are commercial entities, they must not lose sight of the fact that being purveyors of nation's credit, they have a great corporate social responsibility for inclusive growth.

REFERENCE

[1] Chattopadhyay, S. (2011) Financial Inclusion in India: A case-study of West Bengal.

[2] Dr. Vighneswara Swamy and Dr. Vijayalakshmi, Role of Financial Inclusion forInclusive Growth in India- Issues & Challenges, 2010.

[3] "Financial Inclusion and Banks: Issues and Perspectives", RBI Monthly Bulletin, November 2011.

[4] "Financial Literacy and Consumer Protection – Necessary Foundation for Financial Inclusion", RBI Bulletin, May2012.

[5] FICCI Report on Promoting Financial Inclusion, 2013.

[6] Jessica Mary Innovation Management for Inclusive Growth in India, Advances In Management Vol. 5, Aug. 2012

[7] Johnson, R.A & Wichern, D.W. (2000). Applied Multivariate Statistical Analysis.IVth-Edition.

[8] Anshul Agarwal. (2010). Financial Inclusion: Challenges & Opportunities. Skoch Summit,pp

[9] Asli Demirguc - Kunt and Klapper, L. (2012): „Measuring Financial Inclusion‟, Policy Research Working Paper, 6025, World Bank,April

[10] Anupama Sharma, 2, Sumita Kukreja An Analytical Study:Relevance of Financial Inclusion For Developing Nations

[11] C.Paramasivan, V.Ganeshkumar Overview of Financial Inclusion in India

[12] Chakrabarty KC, DG, RBI. Keynote address on "Furthering Financial Inclusion through Financial Literacy and Credit Counselling".

[13] Joseph Massey. (2010). Role of Financial Institutions in Financial Inclusion, FICCI's Banking & Finance Journal

[14] N.Mehrotra, V. Puhazhendhi, G. Nair G, B. B. Sahoo, Financial Inclusion – An overview(Occasional Paper – 48), Department of Economic Analysis and Research & National Bank for Agriculture and Rural Development, Mumbai, 2009, 1-24.

[15] C Rangarajan, Report of the committee on Financial Inclusion, 2008,1- 31.

[16] Report of Financial service provision and the prevention of financial exclusion, Report of European Commission,2008 ,1-10

[17] D. Goodwin, L. Adelman, S. Middleton and K. Ashworth, debtt,, money managementt and access tto ffiinanciiall serrviices:: eviidence ffrrom tthe 1999 PSE surrvey off Brriittaiin ((Worrkiing Paperr – 8)),, Poverrtty and Sociiall excllusiion surrvey off Brriittaiin Centtrre fforr Researrch iin Sociiall Polliicy,,1999,, 1-- 6..

[18] Asli Demirguc-Kunt and Leora Klapper, Measuring Financial Inclusion: The Global Findex Database, World Bank policy research Working paper 6025, 2012, 1-61 Ramnath Pradeep, A. Garg, Financial Inclusion - Viable Opportunities in India, 4-39. Retrieved from: http://books.google.co.in/books?id=WcCXBT4AQeIC

[19] Raghuram G. Rajan, A hundred small steps, Report of the Committee on Financial sector reforms (Planning Commission Government of India), 2009, 50-53.

[20] D. R. K. Reddy, Financial inclusion: Road Ahead, The Journal of Indian institute of Banking & Finance, 2012, 40-45.

[21] Basu, P. and Srivastava, P., Scaling-Up Microfinance for India's Rural Poor (June 2005). World Bank Policy Research Working Paper No. 3646. Available at SSRN: http://ssrn.com/abstract=757389

[22] Bhaskar, P. V. (2006, January 25). Financial Inclusion by Extension of Banking Services - Use of Business Facilitators and Correspondents. Retrieved June 5, 2013, from www.rbi.org.in: http://www.rbi.org.in/Scripts/BS_CircularIndex Display.aspx?Id=271

[23] CGAP(2010). Update on Regulation of Branchless Banking in India http://www.cgap.org/sites/default/files/CGAP-Regulation-of-Branchless-Banking-in-India-Jan-2010.pdf

[24] Chakrabarty, K. (2011). Financial Inclusion: A road India needs to travel. www.livemint.com, RBI. Citi Foundation. (n.d.). Financial Inclusion: A Study on the Efficiency of the Banking Correspondent Model. Sa-dhan: The association of Community Development Finance Institutions.

[25] Collins, D., Morduch, J., & Rutherford, O. (2009). Portfolios of the Poor: How the world's poor live on 2$ a day. Princeton and Oxford: Princeton University Press.

[26] Planning Commission Report, Government of India, (2009), ―A hundred small steps : Report on the committe of financial sector reforms.‖, Sage Publication.

[27] Porteous, D. (2006). Banking and the Last Mile: Technology and the Distribution of Financial Services in Developing Countries. Conference on Access to Financial Services. Washington, DC: Brookings/ World Bank.

[28] Raj, B. (2011). Profitable Models for Financial Inclusion. BANCON. BANCON2011 Selected Conference Papers.

[29] Rath, B., Ramji, M., and Kobishyn, A. (2009). Business Correspondent Model: A Preliminary Exploration. Microfinance India summit. Centre for Microfinance at IFMR.

[30] Coelli, T.J., Rao, D.P., O’Donnell, C.J. and Battese, G.E. (2005), “An Introduction to Efficiency and Productivity Analysis”, Springer.