

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE & MANAGEMENT

I
J
R
C
M



A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

Indexed & Listed at:

Ulrich's Periodicals Directory ©, ProQuest, U.S.A., EBSCO Publishing, U.S.A., Cabell's Directories of Publishing Opportunities, U.S.A.

Open J-Gate, India [link of the same is duly available at Inlibnet of University Grants Commission (U.G.C.)],

Index Copernicus Publishers Panel, Poland with IC Value of 5.09 & number of libraries all around the world.

Circulated all over the world & Google has verified that scholars of more than 2401 Cities in 155 countries/territories are visiting our journal on regular basis.

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

<http://ijrcm.org.in/>

CONTENTS

Sr. No.	TITLE & NAME OF THE AUTHOR (S)	Page No.
1.	POTENTIAL OF KERALA AYURVEDA TOURISM : SPECIAL REFERENCE TO ERNAKULAM DISTRICT <i>P.A.MARY ANITHA & DR. C. CHANDRAN</i>	1
2.	A STUDY ON DRIVERS FOR GREEN SUPPLY CHAIN MANAGEMENT (GSCM) IN CHEMICAL INDUSTRIES: WITH REFERENCE TO GUJARAT REGION <i>RINKI ROLA, DR. S. O. JUNARE & DR. TEJAS N DAVE</i>	7
3.	A STUDY ON CUSTOMER PREFERENCE AND SATISFACTION TOWARDS SELECTED RETAIL STORES IN COIMBATORE CITY <i>DR. K. K. RAMACHANDRAN & R. GOKILA</i>	13
4.	AN EMPIRICAL STUDY ON ORGANIZATIONAL CLIMATE PREVAIL ON BANKING SECTOR OF PAKISTAN AND PERCEPTION OF EMPLOYEES REGARDING ORGANIZATION CLIMATE <i>GHULAM MUSTAFA SHAMI, DR. MUHAMMAD RAMZAN & AFAQ RASOOL</i>	17
5.	PERFORMANCE ANALYSIS & BENCHMARKING OF SELECTED LISTED HOUSING FINANCE COMPANIES IN INDIA- A CAMEL APPROACH <i>PANKAJ CHADHA & VANITHA CHAWLA</i>	23
6.	THE SIGNIFICANCE OF PERFORMANCE MANAGEMENT IN WORK DIMENSIONS <i>N. MALLIKHARJUNA RAO, DR. T. RAJASEKHAR & K. GOWTHAMI</i>	30
7.	THE ROLE OF CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES ON EGERTON UNIVERSITY'S PUBLIC IMAGE: A CASE OF NJORO DIVISION COMMUNITY <i>LANGAT LIDYA CHEPKOECH, JAMES KAMAU MWANGI & THOMAS MOCHOGE MOTINDI</i>	33
8.	ROLE MODEL OF EFFECTIVE LEADERSHIP FOR GROWTH IN INSURANCE SECTOR IN INDIA <i>SUBHRANSU SEKHAR JENA</i>	39
9.	A CRAM OF CONSUMER'S BUYING PERFORMANCE FOR LONG JOURNEY TRAIN TICKETS <i>MEHUL CHHATBAR & DR. RASHMI MAURYA</i>	45
10.	DETERMINANTS OF CONSUMER BUYING BEHAVIOUR: A STUDY OF READYMADE GARMENTS <i>MALIKA RANI & RAJEEV GUPTA</i>	49
11.	CLASSIFIED ROUTES OF FOREIGN DIRECT INVESTMENT IN INDIA <i>DR. SHAMSHER SINGH & DR. NEELAM TURAN</i>	53
12.	A STUDY ON CONVENTIONAL BANKING, ISLAMIC BANKING AND IT'S TREATMENT OF PROFIT AND LOSS <i>SAMEENA BEGUM</i>	59
13.	MEASUREMENT OF FINANCIAL PERFORMANCE: A CASE STUDY OF SAUDI ELECTRICITY COMPANY <i>DR. R. B. SHARMA</i>	63
14.	FDI AND INDIAN ECONOMY: A STUDY <i>SANDEEP YADAV</i>	67
15.	IMPACT OF DIVIDEND DECISION – A CASE STUDY <i>SOHELI GHOSE</i>	71
16.	DEVELOPMENT OF MULTI-COOPERATIVE SOCIETIES IN JAMMU AND KASHMIR STATE <i>AASIM MIR</i>	75
17.	LIBERALISATION AND ITS EFFECTS ON PROFITABILITY & PRODUCTIVITY OF PRIVATE SECTOR BANKS IN INDIA <i>VINITH HP</i>	77
18.	A STUDY ON PROBLEMS OF WORKERS IN COIR INDUSTRIES OF KANYAKUMARI DISTRICT <i>DR. R. SIVANESAN</i>	80
19.	BUYER'S BEHAVIOR IN ORGANIZED RETAIL: AN EXPLORATORY STUDY <i>NAVED SHAMIM MALIK & DR. ASIF ALI SYED</i>	87
20.	ANALYSIS OF PRE REQUISITES OF A PRODUCTION MANAGER IN A KNITWEAR INDUSTRY <i>DR. S. SRIVIDHYA & P. VIJI</i>	94
21.	ORGANISATIONAL CLIMATE AND ITS IMPACT ON ROLE MOTIVATION AND EMPLOYEE ENGAGEMENT <i>K. RATHNA DEEPIKA & DR. A. THIRUCHELVI</i>	97
22.	AN ASSESSMENT OF THE IMPACT OF MARINE INSURANCE ON NIGERIA'S MARITIME EXPORT TRADE <i>DR. I. A. NWOKORO</i>	101
23.	COMPULSIVE BUYING AND DIFFERENT CUSTOMER GROUPS: A CASE STUDY OF YOUTH IN SRINAGAR CITY <i>SHAKEEL AHMAD SOFI, SHABIR MAJEED BHAT & JAVAID AHMAD RATHER</i>	107
24.	TOURISM MARKETING IN LAKE TANA MONASTERIES <i>ASCHALEW DEGOMA DURIE</i>	112
25.	ETHICAL ISSUES IN HUMAN RESOURCE MANAGEMENT PRACTICES UNDER FEDERAL CIVIL SERVICE OF ETHIOPIA: THE ROLE OF HUMAN RESOURCE PRACTITIONER <i>FENTAYE KASSA HAILU</i>	117
26.	FINANCIAL INCLUSION FOR INCLUSIVE GROWTH – A COMPARATIVE STUDY ON RURAL & URBAN AREAS OF DIBRUGARH <i>RAJPOL BHARADWAJ & SUBHADEEP CHAKRABORTY</i>	122
27.	IMPACT OF VALUE ADDED TAX (VAT) ON PRODUCT MARKET PRICES – A STUDY IN STATE OF ANDHRA PRADESH <i>DR. S. TARAKESWARA RAO</i>	125
28.	IMPACT OF MICRO INSURANCE ON SELF HELP GROUPS IN RURAL AREAS OF ANDHRA PRADESH <i>DR. P. GURUVIAH</i>	130
29.	ASSESSMENT OF OPPORTUNITIES AND CHALLENGES OF TOURISM INDUSTRY IN JAMMU AND KASHMIR <i>ZAMEER AHMAD BHAT</i>	134
30.	MANAGER'S CORPORATE ENTREPRENEURIAL ACTIONS AND EMPLOYEE'S JOB PERFORMANCE & SATISFACTION: A STUDY ON MANAGERS & THEIR SUB-ORDINATES AT INFOTECH PVT. LTD., LAHORE <i>ANUM KHAN</i>	138
	REQUEST FOR FEEDBACK	142

CHIEF PATRON

PROF. K. K. AGGARWAL

Chancellor, Lingaya's University, Delhi
Founder Vice-Chancellor, GuruGobindSinghIndraprasthaUniversity, Delhi
Ex. Pro Vice-Chancellor, GuruJambheshwarUniversity, Hisar

FOUNDER PATRON

LATE SH. RAM BHAJAN AGGARWAL

Former State Minister for Home & Tourism, Government of Haryana
Former Vice-President, Dadri Education Society, Charkhi Dadri
Former President, Chinar Syntex Ltd. (Textile Mills), Bhiwani

CO-ORDINATOR

DR. SAMBHAV GARG

Faculty, Shree Ram Institute of Business & Management, Urjani

ADVISORS

DR. PRIYA RANJAN TRIVEDI

Chancellor, The Global Open University, Nagaland

PROF. M. S. SENAM RAJU

Director A. C. D., School of Management Studies, I.G.N.O.U., New Delhi

PROF. M. N. SHARMA

Chairman, M.B.A., Haryana College of Technology & Management, Kaithal

PROF. S. L. MAHANDRU

Principal (Retd.), Maharaja Agrasen College, Jagadhri

EDITOR

PROF. R. K. SHARMA

Professor, Bharti Vidyapeeth University Institute of Management & Research, New Delhi

CO-EDITOR

DR. BHAVET

Faculty, Shree Ram Institute of Business & Management, Urjani

EDITORIAL ADVISORY BOARD

DR. RAJESH MODI

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

PROF. SANJIV MITTAL

University School of Management Studies, GuruGobindSingh I. P. University, Delhi

PROF. ANIL K. SAINI

Chairperson (CRC), GuruGobindSingh I. P. University, Delhi

DR. SAMBHAVNA

Faculty, I.I.T.M., Delhi

DR. MOHENDER KUMAR GUPTA

Associate Professor, P.J.L.N.Government College, Faridabad

DR. SHIVAKUMAR DEENE

Asst. Professor, Dept. of Commerce, School of Business Studies, Central University of Karnataka, Gulbarga

ASSOCIATE EDITORS

PROF. NAWAB ALI KHAN

Department of Commerce, Aligarh Muslim University, Aligarh, U.P.

PROF. ABHAY BANSAL

Head, Department of Information Technology, Amity School of Engineering & Technology, Amity University, Noida

PROF. V. SELVAM

SSL, VIT University, Vellore

PROF. N. SUNDARAM

VIT University, Vellore

DR. PARDEEP AHLAWAT

Associate Professor, Institute of Management Studies & Research, Maharshi Dayanand University, Rohtak

DR. S. TABASSUM SULTANA

Associate Professor, Department of Business Management, Matrusri Institute of P.G. Studies, Hyderabad

TECHNICAL ADVISOR

AMITA

Faculty, Government M. S., Mohali

FINANCIAL ADVISORS

DICKIN GOYAL

Advocate & Tax Adviser, Panchkula

NEENA

Investment Consultant, Chambaghat, Solan, Himachal Pradesh

LEGAL ADVISORS

JITENDER S. CHAHAL

Advocate, Punjab & Haryana High Court, Chandigarh U.T.

CHANDER BHUSHAN SHARMA

Advocate & Consultant, District Courts, Yamunanagar at Jagadhri

SUPERINTENDENT

SURENDER KUMAR POONIA

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to recent developments & practices in the area of Computer, Business, Finance, Marketing, Human Resource Management, General Management, Banking, Education, Insurance, Corporate Governance and emerging paradigms in allied subjects like Accounting Education; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Monetary Policy; Portfolio & Security Analysis; Public Policy Economics; Real Estate; Regional Economics; Tax Accounting; Advertising & Promotion Management; Business Education; Management Information Systems (MIS); Business Law, Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labor Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; Public Administration; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism, Hospitality & Leisure; Transportation/Physical Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Digital Logic; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Multimedia; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic and Web Design. The above mentioned tracks are only indicative, and not exhaustive.

Anybody can submit the soft copy of his/her manuscript **anytime** in M.S. Word format after preparing the same as per our submission guidelines duly available on our website under the heading guidelines for submission, at the email address: infoijrcm@gmail.com.

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1. **COVERING LETTER FOR SUBMISSION:**

DATED: _____

THE EDITOR
IJRCM

Subject: SUBMISSION OF MANUSCRIPT IN THE AREA OF

(e.g. Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, please specify)

DEAR SIR/MADAM

Please find my submission of manuscript entitled '_____ ' for possible publication in your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published elsewhere in any language fully or partly, nor is it under review for publication elsewhere.

I affirm that all the author (s) have seen and agreed to the submitted version of the manuscript and their inclusion of name (s) as co-author (s).

Also, if my/our manuscript is accepted, I/We agree to comply with the formalities as given on the website of the journal & you are free to publish our contribution in any of your journals.

NAME OF CORRESPONDING AUTHOR:

Designation:

Affiliation with full address, contact numbers & Pin Code:

Residential address with Pin Code:

Mobile Number (s):

Landline Number (s):

E-mail Address:

Alternate E-mail Address:

NOTES:

- a) The whole manuscript is required to be in **ONE MS WORD FILE** only (pdf. version is liable to be rejected without any consideration), which will start from the covering letter, inside the manuscript.
- b) The sender is required to mention the following in the **SUBJECT COLUMN** of the mail:
New Manuscript for Review in the area of (Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, please specify)
- c) There is no need to give any text in the body of mail, except the cases where the author wishes to give any specific message w.r.t. to the manuscript.
- d) The total size of the file containing the manuscript is required to be below **500 KB**.
- e) Abstract alone will not be considered for review, and the author is required to submit the complete manuscript in the first instance.
- f) The journal gives acknowledgement w.r.t. the receipt of every email and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of manuscript, within two days of submission, the corresponding author is required to demand for the same by sending separate mail to the journal.

2. **MANUSCRIPT TITLE:** The title of the paper should be in a 12 point Calibri Font. It should be bold typed, centered and fully capitalised.

3. **AUTHOR NAME (S) & AFFILIATIONS:** The author (s) **full name, designation, affiliation (s), address, mobile/landline numbers**, and **email/alternate email address** should be in italic & 11-point Calibri Font. It must be centered underneath the title.

4. **ABSTRACT:** Abstract should be in fully italicized text, not exceeding 250 words. The abstract must be informative and explain the background, aims, methods, results & conclusion in a single para. Abbreviations must be mentioned in full.

5. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of five. These should be arranged in alphabetic order separated by commas and full stops at the end.
6. **MANUSCRIPT:** Manuscript must be in **BRITISH ENGLISH** prepared on a standard A4 size **PORTRAIT SETTING PAPER**. It must be prepared on a single space and single column with 1" margin set for top, bottom, left and right. It should be typed in 8 point Calibri Font with page numbers at the bottom and centre of every page. It should be free from grammatical, spelling and punctuation errors and must be thoroughly edited.
7. **HEADINGS:** All the headings should be in a 10 point Calibri Font. These must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
8. **SUB-HEADINGS:** All the sub-headings should be in a 8 point Calibri Font. These must be bold-faced, aligned left and fully capitalised.
9. **MAIN TEXT:** The main text should follow the following sequence:

INTRODUCTION

REVIEW OF LITERATURE

NEED/IMPORTANCE OF THE STUDY

STATEMENT OF THE PROBLEM

OBJECTIVES

HYPOTHESES

RESEARCH METHODOLOGY

RESULTS & DISCUSSION

FINDINGS

RECOMMENDATIONS/SUGGESTIONS

CONCLUSIONS

SCOPE FOR FURTHER RESEARCH

ACKNOWLEDGMENTS

REFERENCES

APPENDIX/ANNEXURE

It should be in a 8 point Calibri Font, single spaced and justified. The manuscript should preferably not exceed **5000 WORDS**.

10. **FIGURES & TABLES:** These should be simple, crystal clear, centered, separately numbered & self explained, and **titles must be above the table/figure. Sources of data should be mentioned below the table/figure.** It should be ensured that the tables/figures are referred to from the main text.
11. **EQUATIONS:** These should be consecutively numbered in parentheses, horizontally centered with equation number placed at the right.
12. **REFERENCES:** The list of all references should be alphabetically arranged. The author (s) should mention only the actually utilised references in the preparation of manuscript and they are supposed to follow **Harvard Style of Referencing**. The author (s) are supposed to follow the references as per the following:
 - All works cited in the text (including sources for tables and figures) should be listed alphabetically.
 - Use (ed.) for one editor, and (ed.s) for multiple editors.
 - When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc, in chronologically ascending order.
 - Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
 - The title of books and journals should be in italics. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
 - For titles in a language other than English, provide an English translation in parentheses.
 - The location of endnotes within the text should be indicated by superscript numbers.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:

BOOKS

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–22 June.

UNPUBLISHED DISSERTATIONS AND THESES

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

WEBSITES

- Garg, Bhavet (2011): Towards a New Natural Gas Policy, Political Weekly, Viewed on January 01, 2012 <http://epw.in/user/viewabstract.jsp>

FINANCIAL INCLUSION FOR INCLUSIVE GROWTH – A COMPARATIVE STUDY ON RURAL & URBAN AREAS OF DIBRUGARH

RAJPOL BHARADWAJ
UGC PROJECT FELLOW
DEPARTMENT OF COMMERCE
DIBRUGARH UNIVERSITY
DIBRUGARH

SUBHADEEP CHAKRABORTY
RESEARCH SCHOLAR
DEPARTMENT OF COMMERCE
DIBRUGARH UNIVERSITY
DIBRUGARH

ABSTRACT

The issue of financial inclusion is emerging as the new paradigm of growth. 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"—(Rangarajan Committee). RBI and Government take various steps to generate wide awareness and expand the risk of banking services. Through different agencies the government offers loans to the targeted beneficiaries. Different schemes are introduced to popularize the financial inclusion. Panchayat and District Industrial centers are taking care of that in the rural areas and Town Committees, Municipalities are taking care of that in urban areas. Subsidized loans are allowed to the farmers. This reduces the dependency of peasants on the money lenders. The farmers committed suicide due to inability to repay their loans which are waived by the government to stop the repulsive suicide attempts by the peasantry. The waiver is linked to the financial inclusion for inclusive growth. The present paper is a comparative study on financial inclusion for growth penetration in rural and urban areas in Dibrugarh, Assam supported by the analysis of the empirical data available at hand.

KEYWORDS

Financial inclusion, inclusive growth, rural area, urban areas.

INTRODUCTION

The objective of socio-economic policies of the government always remains partially fulfilled. Why is it so? Population under study is pointing to a grim picture of financial inclusion for inclusive growth in India. If this continues to be so then Abraham Lincoln's saying, "Democracy is of the people, for the people and by the people" will be replaced with the policy not meant for the wealthy section—"policy is of the rich, for the rich and by the rich". Financial inclusion for inclusive growth must flow from the top of the society to the root of the society. If the root of the society is integrated to the financial institutions then the growth of the country will be unstoppable. The integrating agencies are certainly rural and urban area's banks, co-operative societies, NGOs, Civic bodies, Panchayat, insurance companies and Government agencies. The root of the society is the majority of the society. They need everything at an affordable cost.

REVIEW OF LITERATURE

In developing countries, still 90% of the people remain outside the formal financial system. Even India is far below the rank in respect to bank branches and ATMs among the Asian countries like China, Thailand, Indonesia etc. 30%-40% of the total population of India still lives below the poverty line as the poverty is defined by low health, malnutrition, high mortality rate of infant. Among them those who have 1 \$ per day were the ultra poor. (Dr. Debabrata Das, Tezpur University).

Number of unbanked population among rural and urban is very high. Only 39% in rural areas against 60% in urban areas are covered. (Thorat, 2007). So the dependency of the population for credit sources is still the private money lender and exploiters in both the areas. Financial inclusion is delivery of bank services at an affordable cost to the vast sections of disadvantaged and low income groups. As banking services are from the public & to the public, it is needful that banking and payment services to the entire population without difference should be the prime objective of the public policy.

FINANCIAL INCLUSION

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"—(By Rangarajan Committee).

The issue of financial inclusion is emerging as the new paradigm of growth. Financial inclusion for inclusive growth is aimed at the unemployed, the underemployed, the semi-employed, the casually employed and the disguised unemployed, rural and urban. Does financial growth induce and increase in per capita gross domestic product only because the very rich get even richer or does finance expand economic opportunities for the majority of the society?

Thus, financial inclusion = government agencies + banks + NFAs + OFIs + IT + MFIs

*NFAs = No- Frills Accounts

*OFIs = Other Financial Instruments

*IT = Information Technology

*MFIs = Micro Financial Institutions

Financial inclusion is a must for equal opportunities to all section of the people, inclusive growth, social development and business opportunities. India's national vision for 2020 has mission to open nearly 600 million new customer's bank account and services. So a variety of channels are in the offing in unbanked areas. For this purpose cardinal aspects are –

1. **LAISSEZ FAIRE IN FINANCE:** -At present there are 99 blocks in the country which don't have any bank branch. In which 86 are in North East and 13 are in other parts of country. In current budget the government has granted a sum of Rs. 150 cores for banks to open branches in unbanked and difficult areas. Due to less population in most north east areas, RBI has proposed to use branchless banking with help of technology to promote inclusion through micro finance bodies, business correspondent, co-operative societies, grocery shops etc. This step is taken to access easily the financial market.
2. **ACCESS CREDIT MARKET:** -There is need for more products that meet credit and insurance need of people. For meeting credit needs a saving linked financial model can be adopted for these segment, which should kept simple and guarantee the beneficiaries of credit limit. In the rural part of state, primary agriculture co-operative societies are pretty active through it is being paid little attention, because it exist side by side with district central co-

operative banks(DCCBs).Thus, now state governments have taken initiating steps to rationalization functioning of co-operative societies in area like procurement, fertilizers and pesticides sale etc.

3. **KNOWLEDGE OF FINANCIAL MARKET:-** Due to lack of awareness, poor infrastructure is one of the major reasons of financial exclusion. Thus Reserve Bank of India setting up pilot project for credit counseling and financial inclusion on June 18, 2007. RBI launched a multinational website in 13 in all matter concerning banking & common people. Example: SBI has launched service centre's (knowledge centre's), village knowledge centre for providing knowledge to farmers which provide basic infrastructure internet connection and updated libraries.

The objective of financial inclusion is to extend the scope of activities of financial system to include people with low income. Although the banking network has rapidly expanded over the years but the key challenges would be to extend the banking coverage to include the target population living in 6 lakhs villages. The objective of the paper is to analyze the role of financial inclusion in the growth of Indian banking system in Dibrugarh, rural & urban.

INITIAL MEASURES FOR FINANCIAL INCLUSION

Reserve bank of India and government plays an important role in promoting financial inclusion for economic growth to increase the banking penetration in the country. Before 1990s several initiatives has been undertaken which included creation of State Bank of India in 1955; nationalization of commercial banks in 1969 and 1980; initiating the Lead Bank Scheme in 1970; was a big step to expand financial inclusion. National Bank for Agriculture and Rural Development (NABARD) was set up in 1982 mainly to provide refinance to the banks extending credit to agriculture, establishment of regional rural banks in 1975 are also the major steps for same aim which encourage branch expansion in rural area. It also regulate interest rate ceiling for credit in weaker sections. After 1990s there are major important steps taken for financial excluded people as launching Self helpgroups' linkage programmed in 1992 by NABARD, which facilitates and provides door step banking. Simplifications of Know your customer (KYC) norms are another milestone. Where NGOs are set up to organize the poor, build their capacities and facilitates the process of empowering them. In 1998 Kisan credit card has been launched and on the suggestion of NABARD in 2005 General credit card has been launched which facility up to Rs. 25000/-. In January 2006 NGOs, SHGs, and Micro Finance Institutions are permitted by RBI. Now MFIs currently cover 8.3 million borrowers. MFIs, self-help groups (SHGs) also meet the financial service requirements of the poorer segments.

METHODOLOGY

The urban and rural experience in the field of financial inclusion in Dibrugarh district is the main objective of this paper. Primary and secondary data from various sources are used to show the role of banks and other financial institutions in driving away poverty from the down trodden population of the society under study. It is also analyzed if government can achieve full financial inclusion in this area by 2015. References of some articles are also used to find out the need, opportunities and challenges in this direction. To arrive at a conclusive deduction some special case studies have been included in this paper.

ILLUSTRATION

Around 45% of the population in India is poverty stricken and only 31% has access banking services. 39% in rural area and 60% in urban areas are unbanked. The rate of unbanked areas in North East is very high. In India 14% of adult population has loan account. It is 9.4% in rural population and 14% in urban population and 7% in North East region. More than half population in India has no access to any formal and non-formal source of credit. 70% have no access to formal source of credit and they are still dependent on money lenders/usurers. KYC and other related knowledge are critical for them. More than 70% of the population is without life, health and non-life insurance coverage. In Dibrugarh district number of bank branches in Urban area is 50 and 37 in rural areas.

In the area under discussion, there are 1 co-operative and 5 commercial banks in urban area (listed below) and none in rural area.

List of banks and other financial institutions:-

- SBI
- UBI
- CENTRAL BANK
- ALAHABAD BANK
- CO-OPERATIVE APEX BANK
- GRAMIN VIKASH BANK OF ASSAM
- POST OFFICE SAVING BANK
- SAHARA INDIA

List of insurance companies:-

- LICI LTD.
- BAJAJ ALLIANZ
- RELIANCE LIFE

Private players are not opening any branch of banks in both urban and rural areas here.

No of total population under study = 50,000 each in rural and urban areas. Households visited are 1000 each.

A few years ago there were only two branches of banks in the urban area, now there are 4 commercial banks. Therefore population gets involved in increased number in the financial activities. Population in the rural area is integrated to the banks of urban areas.

INDICATORS LIST OF FINANCIAL INCLUSION

TABLE – 1

Sl. No	NAME OF FINANCIAL INSTITUTES	NUMBER OF ACCOUNTS	
		2010-2011	2011-2012
1.	SBI	12,000	14,000
2.	AGVB	1,788	2,340
3.	SAHARA INDIA	1,000	1,500

TABLE – 2

Names of schemes (Urban)			Names of schemes (Rural)		
	2010-2011	2011-2012		2010-2011	2011-2012
1. SHGs	50	60	SHGs	119	138
2. IG Old age pensionscheme(beneficiary)	----	443(till date)	IG Old age pensionscheme(beneficiary)	----	462(till date)
3. IG Widow pension scheme (Not implemented)	-----	-----	IG Widow pension scheme(beneficiary)	-----	2643(till date)
4. IG Disable pension scheme (Not implemented)	-----	-----	IG Disable pension scheme(beneficiary)	-----	7
5. KCCs(Not Applicable)	-----	-----	KCCs	1,789	2,340
6. GCCs (Data not available)	-----	-----	GCCs	98	101
7. Bajaj Allianz Life	10,000	16,000	Bajaj Allianz Life	5,000	6,000
8. LIC	9,097	12,431	LICI	9,000	13,000
9. PLI	-----	210	PLI	-----	160
10. Personal loan	-----	180(till date)	Nil	-----	-----
11. Agricultural loan (Nil)	-----	-----	Agricultural loan	-----	2,200(till date)
12. Business loan	-----	10(till date)	Business loan (Nil)	-----	-----

On the basis of statistical data we can experience the effect of the schemes taken for financial inclusion for financial growth in both urban and rural areas.

- a) No frills accounts are basis which have zero and low minimum balances and charges. These accounts have increased year by year.
- b) Kisan Credit Card has been launched in 1998. But here it is implemented later. KCCs issued are increasing year by year.
- c) Though there is no bank branches in rural areas, people are integrated to banks by the introduction of schemes mentioned above in the table.
- d) Of 50,000 population under study. 80% have direct or indirect access to financial market through no frills accounts, KCCs, SHGs, MNREGA, Life insurance companies, Old age pension, Personal loans home loans etc.
- e) 90% of population under study in urban area has the access to financial market through A/c's, pension, PMRY etc.
- f) In both the cases 50% of the population is from the deprived section of the society, who are either BPL families or APL families. Financial inclusion brings them many opportunities to overcome poverty. Rural areas under study are a big store house of disguised unemployed, unemployed, and casual employed. This section is benefited with the introduction of policies of financial inclusion.
- g) Rural people have GCCs.
- h) Most people in urban area have personal and business loan. This number is small, so number of lendeers may be widened. Urban area becomes the breeding ground of semi employed, under employed and casual employed. Therefore loan opportunities offer them hopes of "Let's live."

STEPS TAKEN ON FINANCIAL INCLUSION BY GOVERNMENT AND BANKS

- a) Agents of small savings schemes of the government of India, insurance companies, retired teachers, authorized persons of well run SHGs are appointed as Banks Correspondents. So 80% of population has come under banking system in unbanked rural areas.
- b) State bank of India appoints a CSP (Customer service point of business) in Naharani, rural unbanked area.
- c) ST, SC, OBC, Tai Ahom organizations are used by governments as Bank Facilitators in rural and urban areas.
- d) Among life insurance companies – LIC which has 50-50 policy holders from both rural and urban people is leading bank facilitators then Bajaj Life, Tata Life, Reliance Life, SBI Life follow. Sahara India is also doing the same.
- e) The rural area under study is very remote. The area is linked to the newly constructed highway through Gram CharakYojana. Means of communication remain uninterrupted. This immensely helps mpeople to link with the financial inclusion. This makes people all terrain affairs. The urban area under study has sufficient civic amenities.
- f) Computer Service point with internet connection are also handy to impart know how about financial inclusion to the targeted people.

IMPEDIMENTS

- a) Illiteracy and ignorance comes in the way of financial inclusion. Most of the inhabitants depend on others to open accounts, to apply for loans etc. This delays their inclusion in the financial system. Guidelines, booklets etc are not made available in vernacular languages.
- b) Interrupted power supply breaks computer links to internet and frequent networks down forced people to waste hard earnings.
- c) Most of the people have lack of identity. To include in the financial system identity proof is a must. ADHAR (UID) is not issued here; voters I-cards have also not been issued.
- d) Touts, unauthorized persons from rural and urban areas take full advantage of illiteracy and ignorance of people to make money in the name of "Go and Get" from the concerned authority. Even a chain of dishonest officials traps the people who apply for I-cards, KCCs, loans etc to pay bribes.
- e) Financial inclusion aims at driving away poverty. But people who are in queue for financial inclusion have to incur expenses larger than their income prior to inclusion that landed them in penury.
- f) At least 10 to 20% people are still victims of usury which is rampant in rural area because of absence of hassle-free competitive financial markets.

RECOMMENDATION AND CONCLUSION

- a) Holistic counseling free of cost by financial institutes, NGOs, Commercial agents should be made mandatory to those who are ignorant. Schools/ rented houses can be used as counseling centers.
- b) Booklets, guidelines regarding schemes, loans etc should be published in vernacular languages.
- c) More CSPs should be appointed in unbanked areas.
- d) For supporting documents in case of financial inclusion the issuing authority of such documents should reach the applicants on demand. The applicants should not be compelled under any circumstances via touts or unauthorized persons to reach the authorities. The applicant should get them at nominal cost.
- e) Uninterrupted power supply in rural areas during day time should be ensured. In case of network breakdown alternative arrangements should be at hand so that service is not stopped.
- f) Peasant, suicide case is not traced out in the area under study but risk of suicide is present there.

The areas under study will achieve 100% financial inclusion before national vision 2020 if the impediments short listed here are hit to nil. People, who once got half a loaf, now get a loaf in full due to financial inclusion in the areas under study. Two helpings of meal a day may be good food but that does not guarantee nutritious food. Only deep penetration of financial inclusion into the deprived section of the society will improve growth of our economy. And then people will be able to buy nutritious food, quality education and poverty will die out.

REFERENCES

1. Rangarajan, C. (2008), Report of the Committee on Financial Inclusion, Ministry of Finance, Govt. of India, New Delhi, p 2
2. ThoratUsha, (2007), Financial Inclusion- The Indian experience, HMT- DFID, Financial Inclusion conference 2007, London.

WEBSITE

3. <http://dripfin.wordpress.com/2008/01/30/report-of-the-committee-on-financial-inclusion/>
4. http://slbcne.nic.in/assamminutes_assam
5. http://slbcne.nic.in/bkg_assam_current
6. www.dipp.nic.in
7. www.iibf.org.in
8. www.ijrcm.org.in
9. www.inclusion.in
10. www.iosrjournals.org
11. www.nabard.org/financial_inclusion.asp
12. www.rbi.org.in

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce and Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue as well as on the journal as a whole, on our E-mail i.e. **infoijrcm@gmail.com** for further improvements in the interest of research.

If you have any queries please feel free to contact us on our E-mail infoijrcm@gmail.com.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-

Co-ordinator

ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals

