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FINANCIAL EXCLUSION, FINANCIAL INCLUSION AND INCLUSIVE GROWTH: BANKING AT THE DOORSTEPS OF A "COMMON MAN"

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ABSTRACT

Promoting the inclusion of people's economic activity into the financial system has profound consequences. It goes beyond the narrow financial agenda of allowing for a better spreading of risks within and across countries, which contributes to financial stability. It goes beyond the broader economic agenda of allowing a wider range of people, especially the poor and those on lower incomes, access to financial services, which adds to economic growth. In fact, financial inclusion is fundamental to the social agenda of reducing poverty and income inequality. Financial Inclusion gained importance since early 2000s, as a result of findings about financial exclusion of nearly three billion people across the world and its direct correlation to poverty. In recent years, some 50 countries have set formal targets and goals for financial inclusion. India is one among the countries that have plunged into Financial Inclusion. Available data indicate that the use of financial services has been slowly, but steadily expanding over time. Financial inclusion without banking sector is a lifeless body. This paper analyses the how a Bank from India (Indian Bank) can become a Common Man's bank by reaching the unreached. The lessons leant from the real experiences paved way for many bankers to see their vision for rural India.

KEY WORDS: Financial Exclusion, Financial Inclusion, Financial Literacy.

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