

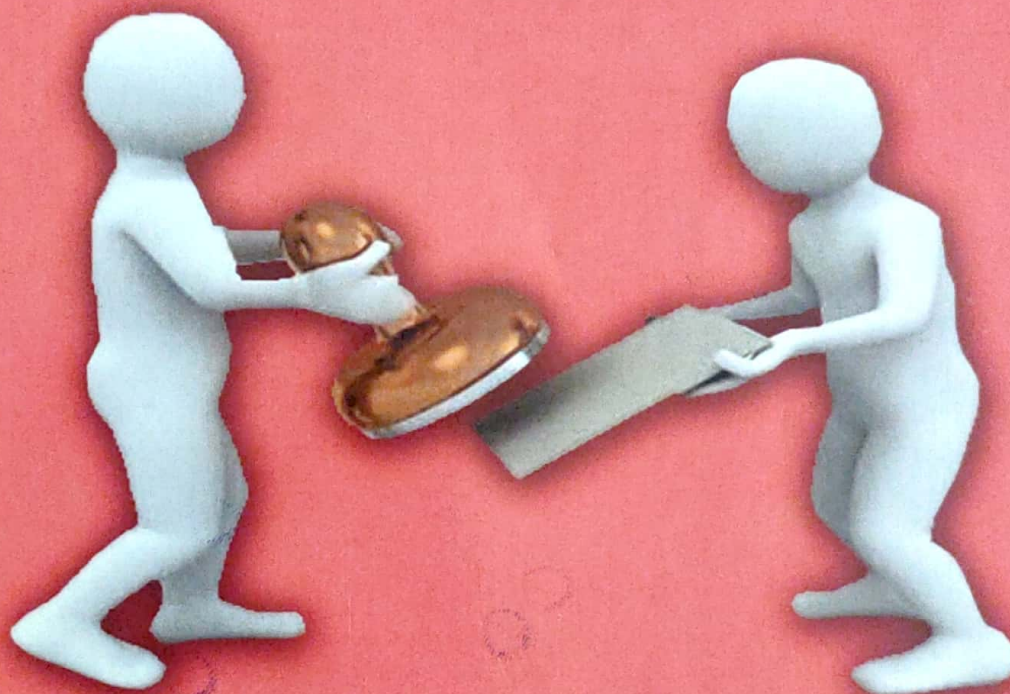
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INDIA POST IN FINANCIAL INCLUSION*** Dr. K.UMA**

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Abstract

Financial inclusion is assumed to be one of the key drivers of our vision of an inclusive society and inclusive economy. During post liberalization period the banking sector has grown enormously keeping pace with and in some cases leading the country's remarkable economic growth. At the same time Indian post offices are also providing banking services to the all section of people of the society since 1882. Indian post served Indian villagers as banker much before financial inclusion become buzzword and Indian post claims to be the pioneer of financial inclusion in India. Through this paper an attempt has been made to study the role played by Indian post in financial inclusion and the challenges before the Indian post in providing banking services to the masses. While preparing the paper data and information's are collected from the department of post, discussion are holds with officials of Indian post and accordingly analysis is made.

Key Words : Indian post, financial inclusion, post office savings bank account.

INTRODUCTION

Effective access to financial services for the poor and vulnerable group is a prerequisite for poverty reduction and social cohesion. This issue can be focused as "Achilles heel" to become an integral part of our major efforts to promote inclusive growth for the country. In fact, providing access to finance services is a form of empowerment among the vulnerable groups. Financial inclusion (CGA 2009) defines delivery of financial services at an affordable cost to the vast sections of the disadvantaged and low-income groups. The various financial services include credit, savings, insurance and payments and remittance facilities.

FINANCIAL INCLUSION

Financial inclusion is the process of ensuring access to appropriate financial products and services needed by all sections of the society in general and vulnerable groups such as weaker sections and low income groups in particular at an affordable cost in a fair and transparent manner by mainstream institutional players.

In advanced economies, financial inclusion is more about the knowledge of fair and transparent financial products and a focus on knowledge of fair and transparent financial products and a focus on financial literacy. In emerging economies, it is a question of both access to financial products and knowledge about their fairness and transparency.

Providing various financial services like, loans, insurance, payments, remittance and financial advisory services to those who have no access to the formal financial structure of the country is the basic objective of Financial Inclusion. An open and efficient society is

always characterized by the unrestrained access to public goods and services. As banking services are viewed as public goods, availability of banking and payments services to the entire population without discrimination.

Financial Inclusion is a critical component of the inclusive growth envisaged for the overall development of the economy. The spread of banking facilities has been uneven in the country, throwing up challenges for achieving financial inclusion. Even after nationalization of commercial banks in 1969 and in 1980, a good proportion of households, especially rural, is still outside the coverage of the formal banking system. An inclusive financial sector would provide access to credit for all 'bankable' people and firms, to insurance for all insurable people and firms and to savings and payments services for everyone.

OBJECTIVES OF THE STUDY

1. To study the role of India Post in inclusive growth India.
2. To study the growth of number of post offices in India and number of accounts under various schemes in India Post.

RESEARCH METHODOLOGY

This is an empirical study mainly based secondary data for analyzing the growth of number of post offices in India and number of accounts under various schemes in India post.

Secondary data have been collected from advanced book specified journals, magazines, brochures, newspapers, Annual Reports India Post and various website.