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- Full length papers shall be subject to peer review. Papers accepted for presentation shall be published in a book with ISBN number, which will be released during the conference.
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ICSSR SPONSORED NATIONAL SEMINAR ON FINTECH - 2022

(FINTECH REVOLUTION IN INDIAN BANKING SECTOR – OPPORTUNITIES AND CHALLENGES

Jointly Organized by

DEPARTMENT OF VOCATIONAL EDUCATION &
PG & RESEARCH DEPARTMENT OF COMMERCE
ARUMUGAM PILLAI SEETHAI AMMAL COLLEGE

DATE : 29-09-2022 & 30-09-2022

Venue
Arumugam Pillai Seethai Ammal College
Tiruppattur, Sivagangai (Dt)
Tamilnadu.

ABOUT THE COLLEGE

Thiru. N.T.S. Arumugam Pillai, our founder hailing from Tiruppattur was a philanthropist, He felt the need of higher education of the local people with a socially and educationally backward background to open the corrugated castle of ignorance and established the college in 1965. But for this College, it would not have been possible for the people of Tiruppattur, especially women, to get higher education. Under the able stewardship of our beloved-founder and his family members, our College has been making big strides all these years in all spheres of its activities, especially in academic programmes, and sports activities. Now the college is catering to the needs of the students with 15 Departments many of which offer Post-Graduate and Research courses.

ABOUT THE DEPARTMENT OF COMMERCE

The Department of Commerce was instituted in 1968 – 1969. It was announced by the Former Secretary and President of the Governing Body of our College. The management got affiliation for two sections with 120 students every year. In the year 2004-2005 a self-financing P.G. Course was embarked upon with sanctioned strength of 36 students. Department of Commerce has been upgraded into Research Department from 8th Feb.2012 onwards.

ABOUT THE DEPARTMENT OF VOCATIONAL EDUCATION

The Department of Vocational Education was Started in 2018 with two U.G courses viz., B.VOC in Banking and Financial Service and B.VOC Software Development funded by UGC-NSQF, New Delhi. Further, we are the only college to introduce Vocational courses within Alagappa University to enhance the skill potentiality of the students.

FOCAL THEME OF THE SEMINAR

Fintech Revolution for Financial Empowerment (Fintech) in its broadest sense refers to the use of technology to deliver financial services. The technology transformation journey of Indian banks spans over three decades, starting in the mid-1990s. With the adoption of core banking solutions, to do scaling of mobile app-based banking, the technology adoption in Indian lenders has come a long way, in the process, making banks more fintechs in orientation. Even some NBFCs are now attempting this fintech journey, using technology engine as the key differentiator.In this backdrop the seminar focusses on the following areas. Role of fintech services in the creation of paperless, presence less and cash less banking. Finetech and financial inclusion-ABCD of fintech banking- Artificial intelligence, Block chain,Cloud and Data Challenges in fintech banking Strategies for successful fintech banking.

Technology has become an inseparable element in every aspect and it is quite difficult to think of doing a business without making a noteworthy reference to technology. Giving a way to the traditional mechanisms of the business, the use of current technology has helped the businesses grow at a faster rate. Technology has revolutionised the way companies conduct business and working has become very easy and simplified today. It has replaced the outdated systems of the traditional banks, improved the transaction processes, escalated the efficiency, and strengthened the financial institutions. The increased preference and growing investments in fintech sector have put the banking industry towards the top of the list when it comes to adopting new technologies.

OBJECTIVES OF THE SEMINAR

- To examine the role of Fintech in banking sector.
- To identify the role of four pillars viz., Income, Investments, Insurance and Institutional Credit in Fintech Revolution.
- To analyse various Fintech initiatives.
- To assess the impact of Fintech on banks.
- To study the Fintech Innovation and Fintech Security Innovation
- To find out the issues and challenges of Fintech in banking.

SUB - THEMES

- E-Banking, Financial Service and Banking Regulation.
- KYC Norms, NPA Management by Banks.
- Consumer Protection and Financial Education in India.
- Role of Regulatory Institutions for Protection of Consumer Interest.
- Merger and Amalgamation in Banking Sector and its Impact.
- Corporate Governance and Banks.
- Banking and Financial Frauds.
- Cyber Security Issues, Challenges and Management.

SPECIFICATION FOR PAPERS

- Abstract : should be between 250-300 words (12 font size, single spacing).
- Author's designation, Affiliation and e-mail: should be in font size 10.
- Paper presenter's name should be underlined.
- Full length paper should be neatly typed in Times New Roman, 12 font size, single space, not exceeding 5 pages, printed on one side of page.
- Abstract and full length papers should be sent to skillapsac@gmail.com.

IMPORTANT DATES

Submission (Abstract & Full Paper)	: 10.09.2022
Acceptance of Paper	: 20.09.2022
Registration	: 25.09.2022
Seminar	:29.09.2022&30.09.2022

NOTE

No TA/DA will be paid

Author and Co-Authors should be paid registration fees separately.

REGISTRATION FEE

Students UG & PG	: 500
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REGISTRATION DETAILS

- The Registration form for the seminar is attached with the brochure.Participants should send the form duly filled in, along with the registration fee.
- Spot registration is also accepted and those papers will be published in second volume.

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"FINTECH REVOLUTION IN INDIAN BANKING SECTOR – OPPORTUNITIES AND CHALLENGES"

INAUGURAL FUNCTION

Date : 29-09-2022

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Thematic Address	:	**Dr. R.KALIDOSS,(Convener)** Nodal Officer – Vocational Education, Arumugam Pillai Seethai Ammal College, Thiruppattur.
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"FINTECH REVOLUTION IN INDIAN BANKING SECTOR – OPPORTUNITIES AND CHALLENGES"

VALEDICTORY

Date : 30-09-2022

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"FINTECH REVOLUTION IN INDIAN BANKING SECTOR – OPPORTUNITIES AND CHALLENGES"

Date : 30-09-2022

AGENDA

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Felicitation Address	:	**Dr.(Capt.)KR.JEYAKUMAR,** Principal, Arumugam Pillai Seethai Ammal College, Thiruppattur.
Invited Speaker	:	**Dr. K. ALAMELU,** Professor & Head, Department of Bank Management, Alagappa University, Karaikudi..
Topic	:	**"MOBILE WALLETS – A FINTECH REVOLUTION IN DIGITAL INDIA"**
Vote of Thanks	:	**Ms.A.NIRMALA**, Assistant Professor of B.Voc., (SD)

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TAMILNADU.

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TAMILNADU.

CONTENTS

A STUDY ON FINANCIAL INCLUSION AND FINANCIAL LITERACY IN TAMILNADU

Dr.R.KALIDOSS

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INTRODUCTION

Financial inclusion is the provision of financial services at affordable costs to large parts of the disadvantaged and low-income groups. Unlimited access to public goods and services is at the heart of an open and efficient society. It is argued that, since banking is of a public interest nature, it is imperative that the availability of banking and payment services to the entire population without discrimination be the main objective of public policy. The term "financial inclusion" has become important since the early 2000s and is a result of findings on financial and its direct link to poverty. Financial inclusion is now a common goal for many central banks among developing countries

STATEMENT OF THE PROBLEM

Financial inclusion is the biggest problem facing the financial system today in rural India and infrastructure bottlenecks are exacerbating this with each passing day. Hence, the researcher intends to conduct a study to the extent that people with a different demographic profile in a rural setting are familiar with banking habits, and the study is titled **"A STUDY ON FINANCIAL INCLUSION AND FINANCIAL LITERACY IN TAMILNADU"**

SIGNIFICANCE OF THE STUDY

The study of financial inclusion and financial literacy among people is of great importance in the current situations. Active participation of everyone in the financial system of the country is a requirement for the effective operation of the financial system. Financial system cases the needs of those who need money and those who have surplus money. Banking is the simplest way to enter into the financial system. Now more than 30% of the Indian population is also non-existent.

Therefore, the study aims to analyze the intensity of financial inclusion and financial literacy among the people.

OBJECTIVES OF THE STUDY

The main purpose of this study is to measure the intensity of financial inclusion and financial awareness among the people. With this in mind, the following specific objectives were set for the study.

1) To examine the awareness level of people about financial products and services.

2) To identify the major sources of information about financial products and services.

SCOPE OF THE STUDY

The study examines the intensity of financial inclusion and financial literacy among people. The target group includes unemployed / housewife, agriculturists, civil servants, non-government employees and people in the business world. The banking habits and awareness of financial products and services are under investigation. The target group is people living in Alanallur panchayath in Palakkad - Tamilnadu district

METHODOLOGY

The data required for study are collected from primary and secondary sources. Secondary data from published books, periodicals, journals etc. These sources are also used for to frame questionnaire required for collecting primary data. Primary data are collected from a sample of 100 respondents belonging to different occupational groups residing in Alanallur Panchayat by administering a structured questionnaire.

THE CONCEPT OF FINANCIAL INCLUSION

India occupies only 2.4 percent of the world's territory, but supports more than 16 percent of the world's population. About 70 percent of the Indian population lives in villages. There are diverse demographic patterns, living standards, education levels and income levels as parameters of economic development. Rural India has yet to see the light of development and the results of the planning process. The separation between rich and poor is wide. On the one hand, there are changes in the bank as a result of liberalization, privatization and globalization of the Indian economy. On the other hand, social responsibility, besides profit, is also one of the most important agenda of commercial banks. The fact remains that the country cannot progress unless and until the basic infrastructure facilities reach everyone and every citizen. One of the main purposes of Indian planning is socialism and upliftment of the poor. Even in independent India, the downtrodden and impoverished masses were socially and financially excluded when the planning and development process was intended for them. It must have been the beneficiaries of the development.

MEANING OF FINANCIAL INCLUSION

Financial inclusion is the provision of financial services at affordable costs to large parts of the disadvantaged and low-income groups. Unlimited access to public goods and services is at the heart of an open and efficient society. It is argued that, since banking is of a public interest nature, it is imperative that the availability of banking and payment services to the entire population without discrimination be the main objective of public policy. The term financial inclusion' has become important since the early 2000s, and is a result of findings on financial exclusion and its direct link to poverty. Financial inclusion is now a common goal for many central banks among developing countries.

ANALYSIS OF DATA

Table No: 1 Respondents having Bank account

Bank Account	No : of respondents	Percentage
Having bank a/c	194	97%
Not having bank a/c	6	3%
Total	200	100

Source : Primary data

The table show that out of 200 respondents, 194 respondents have bank account. And only 6 respondents do not have bank account.

Table No: 2 Reason for investing in banks

Reason	No : of respondents	Percentage
Location	20	10
Credit facility	20	10
ATM facility	30	15
Image of the Bank	5	2.5
Prompt service	15	7.5
Interest Rate	35	17.5
Security	**75**	**37.5**
Total	**200**	**100**

Source : Primary data

The majority of the respondents consider security as the main reason for investing in banks followed by Interest rate and Location. Image of the Bank is considered as the least important reason for inverting in bank account.

Table No: 3 Type of Bank Accounts Preferred by the Respondents

Bank account	No.of respondents	Percentage
Savings Bank account	130	65
Time Deposit	40	20
Recurring Deposit	25	12.5
Other	5	2.5
Total	200	100

Source : Primary data

The majority of the respondents have Savings bank account i.e.65%. only 25 respondents have a recurring bank account.

Table No: 4 Avenues of savings other than banks of the respondents

Avenues	No .of respondents	Percentage
Post office savings	30	15
Chits funds	40	20
Mutual funds	20	10
Life insurance	110	55
Total	200	100

Source : Primary data

As the table 4 shows, majority of the respondents have savings in the form of life insurance followed by chit funds and post office savings. Its clear that the mutual funds are less popular among the respondents.

Table No: 5 Financial Products and Services Awareness among Respondents

Options	Frequency	Percentage
Very high	12	6%
High	20	10%
Average	154	77%
Low	14	7%
Very low	0	0%
Total	100	100

Source : Primary data

It is evident from Table that majority of the respondents have only average awareness about financial products and services. This shows that the awareness need to be improved.

Table No: 6 Sources of Information about Financial Products and Services

Sources	No : of respondents
Newspaper	74
Television	38
Journals	22
Friends & relatives	66
Radio	0
Total	200

Source : Primary data

The table shows that newspapers and friends and family are the most important sources of information on financial products and services. Television and magazines also provide information on financial products and services to a certain extent. None of the respondents said about radio as a source of information about financial products and services.

Testing of hypotheses

Hypothesis 1 : Type of Bank Account and Level of Incomes

Ho: Type of Bank Account and Level of Income are independent

Table No: 7 Type of Bank Account and Level of Income of Respondents

		Type of Bank Account			Total
		Savings Bank A/c	Time Deposit	Recurring Deposit	
Income	BELOW 10000	0	0	20	20
	10000-20000	80	0	0	80
	20000-30000	20	0	0	20
	Above 30000	20	60	0	80
Total		120	60	20	200

Chi-square Tests

	Value	df	Asymp.sig.(2- sided)
Pearson chi-square	325.000[a]	6	.000*
Likelihood Ratio	269.205	6	.000
Linear –by- Linear Association	.000	1	1.000
N of Valid Cases	200		

*siginificant at 5%

As the P value is less than. 05, we reject the null hypothesis and accept the alternative hypothesis, so there exist as an association between type of bank account and level of income.

Hypothesis 2: Type of Bank Account and Level of education

Ho : Type of Bank Account and Level of Education are independent

		Type of Bank Account			Total
		Savings Bank A/c	Time Deposit	Recurring Deposit	
Educational Qualification	SSLC	40	0	0	40
	PLUS TWO	40	0	0	40
	DEGREE	20	20	20	60
	POST	20	0	0	20
	GRADUATE	0	40	0	40
Total	OTHERS	120	60	20	200

Chi-Square Tests

	Value	df	Asymp. Sig.(2-sided)
Pearson Chi-square	200.000[a]	8	.000
Likelihood Ratio	227.345	8	.000
Linear-by-Linear Association	47.381	1	.000
N of Valid Cases	200		

As the P value is less than. 50, we reject the null hypothesis and accept the alternative hypothesis, so there exist as an association between type of bank account and level of education.

Hypothesis 4: Awareness Level of Respondents

Ho : Respondents are well aware of the financial products and services

The responses are measured at 5 point likert scale.

Option	weight	Frequency	Weighted Score
Very high	5	12	60
High	4	20	80
Average	3	154	462
Low	2	14	28
Very low	1	0	0
Total	15	200	630

Weighted mean score =3.15, (630/200) Expected mean value=3.0

Since the calculated mean score (3.15) is higher than the expected mean score (3.00), the null hypothesis is accepted. This means that the respondents have above average awareness level about the financial products and services offered through the banking system

SUMMARY OF FINDINGS

1. out of 200 respondents, 194 respondents have bank account. And only 6 respondents do not have book account
2. The majority of the respondents consider security as the main reason for investing in banks followed by Interest rate and Location. Image of the bank is considered as the least important reason for investing in bank account
3. The majority of the respondents have Savings bank account i.e. 65%. Only 25 respondents have a recurring bank account.
4. majority of the respondents have savings in the form of life insurance followed by chit funds and post office savings. It’s clear that the mutual funds are less popular among the respondents.
5. there exist as an association between type of bank account and level of education.
6. the respondents have about average awareness level about the financial products and services offered through the banking system.

CONCLUSION

A major change has taken place over the last ten years to overcome financial exclusion. A policy framework stems from an inclusive process of discussion and debate. Initiatives and experimental services were launched to implement the policy. We cannot be satisfied and become victims of our own success. Not only do people need access to basic financial services, but they also need to use them actively. However, much more needs to be done: stimulating the use of financial services as well as access; ensure the sustainability of currant initiatives in the long term and tackle new forms of exclusion and marginalization as they occur.

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INDIAN BANKING SYSTEM OPPORTUNITIES AND CHALLENGES - A STUDY

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INTRODUCTION

The banking sector is the lifeline of any modern economy. It is one of the important financial pillars of the financial sector, which plays a vital role in the functioning of an economy. It is very important for economic development of a country that its financing requirements of trade, industry and agriculture are met with higher degree of commitment and responsibility. Thus, the development of a country is integrally linked with the development of banking. In a modern economy, banks are to be considered not as dealers in money but as the leaders of development. They play an important role in the mobilization of deposits and disbursement of credit to various sectors of the economy. The banking system reflects the economic health of the country. The strength of an economy depends on the strength and efficiency of the financial system, which in turn depends on a sound and solvent banking system. A sound banking system efficiently mobilized savings in productive sectors and a solvent banking system ensures that the bank is capable of meeting its obligation to the depositors.

In India, banks are playing a crucial role in socio-economic progress of the country after independence. The banking sector is dominant in India as it accounts for more than half the assets of the financial sector. Indian banks have been going through a fascinating phase through rapid changes brought about by financial sector reforms, which are being implemented in a phased manner.

The current process of transformation should be viewed as an opportunity to convert Indian banking into a sound, strong and vibrant system capable of playing its role efficiently and effectively on their own without imposing any burden on government. After the liberalization of the Indian economy, the Government has announced a number of reform measures on the basis of the recommendation of the Narasimhan Committee to make the banking sector economically viable and competitively strong.

The current global crisis that hit every country raised various issue regarding efficiency and solvency of banking system in front of policy makers. Now, crisis has been almost over, Government of India (GOI) and Reserve Bank of India (RBI) are trying to draw some lessons. RBI is making necessary changes in his policy to ensure price stability in the economy. The main objective of these changes is to increase the efficiency of banking system as a whole as well as of individual institutions. So, it is necessary to measure the efficiency of Indian Banks so that corrective steps can be taken to improve the health of banking system.

EVALUATIONOFINDIANBANKING [1]

The period of last six decades has viewed many macro economic development of India. The monitory, external and banking policies have undergone several changes. The structural changes in the Indian financial system specially in banking system has influence the evaluation of Indian Banking in different ways. After the independence and implementation of banking reforms, we can see the changes in the functioning of commercial banks. In order to understand the changing role of commercial banks and the problems and challenges, it would be appropriate to review the major development in the Indian banking sector. Evaluation of Indian banking may be traced through four distinct phases

1. Evolutionary phase(Prior to 1947)
2. Foundation phase (1947-1969)
3. Expansion phase(1969-1990)
4. Consolidation and Liberalization phase(1990totill)

The present chapter analyses the above phases and structure of the banking sector in India. The main objective of this chapter is to setup the ground and logic for the next chapter.

EVOLUTIONARY PHASE (PRIORTO1947)

According to the Central Banking Enquiry Committee (1931), money lending activity in India could be traced back to the Vadic period, i.e., 2000 to 1400 BC. The existence of professional banking in India could be traced to the 500 BC. Kautilya"s Arthashastra, dating back to 400BC contained references to creditors, lenders and lending rates. Banking was fairly varied to the credit needs for the trade, commerce, agriculture as well as individuals in the economy, Mr. W.E. Preston, member, Royal Commission on India Currency and finance set up in 1926, observed "….. it may be accepted that a system of banking that was extremely suited to India"s then requirements was in force in that country many countries before the science of banking become an accomplished fact in England."[2] They had their own inland bills of exchange or Hund is which were the major instruments of transactions. The dishonoring of bundies was a rare at that time as most banking worked on mutual trust, confidence and without securities.

[1]Reporton Currency and Finance (2008), Chapter III

The first western bank of a joint stock verity was Bank of Bombay, establishing 1720 in Bombay. [3]This was followed by bank of Hindustan in Calcutta, which was established in1770 by an agency house.[4] This agency house and banks were close down in 1932. The first „Presidency Bank" was the Bank of Bengal established in Calcutta on June 2, 1806 with a capital of Rs.50 Lakh. The Government subscribed to 20 percent of its share capital and shared the privilege of appointing directors with voting rights. The bank had the task to discounting the treasury bills to provide accumulation to the Government. The bank was given powers to issue notes in 1823. The Bank of Bombay was the second presidency bank set up in 1840 with a capital of Rs. 52 Lakh, and the Bank of Madras the third Presidency bank established in July 1843 with a capital of Rs.30 Lakh. The presidency banks were governed by Royal charters. The presidency banks issued currency notes until the passing of the paper currency Act, 1861, when this right to issue currency notes by the presidency banks was taken over and that function was given to three presidency banks under a common statute and imposed some restrictions on their business. It prohibited them from dealing with risky business of foreign bills and borrowing abroad for lending more than 6 months.

The presidency banks were amalgamated in to a single bank, the Imperial Bank of India, in 1921. The Imperial Bank of India was further reconstituted with the merger of a number of banks belonging to old princely states such as Jaipur, Mysore, Patiala and Jodhpur. The Imperial Bank of India also functioned as a central bank prior to the establishment of the Reserve Bank in 1935. Thus, during this phase, the Imperial Bank of India performed three set of functions via commercial banking, central banking and the banker to the government.

The first Indian owned bank was the Allahabad Bank set up in Allahabad in 1865, the second, Punjab National Bank was set up in 1895 in Lahore, and the third, Bank of India was set up in 1906 in Mumbai. All these banks were founded under private ownership.

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[2]As Quoted by the Indian Central Banking Enquiry Committee (1931), Chapter II Page 11.

[3]RBI (2006).

[4]Indian Central Banking Enquire Committee (1931)

The *Swadeshi* Movement of 1906 provided a great momentum to joint stock banks of Indian ownership and many more Indian commercial banks such as Central Bank of India, Bank of Baroda, Canara Bank, Indian Bank, and Bank of Mysore were established between 1906 and 1913. By the end of December 1913, the total number of reporting commercial banks in the country reached 56 comprising 3 Presidency banks, 18Class „A" banks (with capital of greater than Rs.5 lakh), 23 Class „B" banks (with capital of Rs.1lakh to 5 lakh) and 12 exchange banks. Exchange banks were foreign owned banks that engaged mainly in foreign exchange business in terms of foreign bills of exchange and foreign remittances for travel and trade. Class A and B were joint stock banks. The banking sector during this period, however, was dominated by the Presidency banks as was reflected in paid-up capital and deposits[5] (Table1.1).

Table 1.1 Number of Banks, Capital and Deposits

	Number of Reporting Commercial Banks					Paid Capital and Reserves				Deposists				
	Presidency Imperial banks@		Exchange Bank		Total	Presidency Imperial Banks@				Presidency/ Imperial Banks@		Exchange Bank		
1870	3	2	3			362				1197		2		
1880	3	3	4			405				1140		0		
1890	3	5	5			448				1836		4		
1900	3	9	8			560				1569		50		
1910	3	16	[illegible]			691				3654		79		
1913	3	18	[illegible]			748				4236		04		
1920	3	25	[illegible]			753				8629		31		
1930	1	31	[illegible]			1115				8397		11		
1934	1	36	[illegible]			1128				8100		40		

Source: Statistical tables relating to Banks in India, various issues

By 1930, the number of commercial banks increased to 107 with the Imperial Bank of India still dominating the Indian banking sector (Table 1.1). Besides, at end-March 1929,158 cooperative banks also existed. The number of co-operative banks rose sharply (more than doubled) between1922-23to1928-29 (Table1.2). Although greater than commercial banks in number but the size of deposits of co-operative banks was muchsmaller[6].

[5]Reporton currency and finance (2008), Chapte rIII

Table 1.2 Numbers of Co-operative Banks

	ClassA*			ClassB**			Total		
Year#	**Number**	**Capital and Reserves**	**Deposit**	**Number**	**Capital and Reserves**	**Deposit**	**Number**	**Capital and Reserves**	**Deposit**
22-23	5	44	41	63			68		
25-26	10	91	38	04			14		1468
28-29	18	163	01	40		1487	58		2388

Source: Statistical tables relating to Banks in India, various issues

[6]Reporton currency and finance (2008), ChapterIII

World War I and its Impact on Indian banking sector

The World War I (1913-1918) has affected badly the Indian economy and created many problems like high Inflation, low productive of agriculture sector. During the war period, a large number of banks failed. Some banks that failed were also doing trading function with banking function. Mast of the banks that failed during war period had low capital base. Several exchange banks also failed during this period mainly due to global reasons. Source: Statistical tables relating to Banks in India, various issues.

The great depression (1928-1934) also affected Indian banking industry as the number of banks failing raised sharply due to high NPAs. The capital of bank that failed, on an average, was lower than the average size of the capital of reporting banks in categories A and B[7].

[7]Reporton currency and finance (2008), Chapter III

Table 1.4 Capital and Reserves of Failed Banks

Year(January-December)	Number of Banks Failed	Paid-up Capital Of Failed Banks (Rs'000)	Average paid- Up capital of Failed Banks (Rs.'000)	Average paid-up capital of Reporting Banks in Category A & B (Rs.'000)
1926	14	398	28	1017
1927	16	311	19	1005
1928	13	2312	178	1022
1929	11	819	74	1105
1930	12	4060	338	952
1931	18	1506	84	984
1932	24	809	34	1008
1933	26	300	12	973
1934	30	623	21	851
1935	51	6596	129	861

Source: Statistical tables relating to Banks in India, various issues

Reserve Bank of India was setup in 1935, as bank failure and neglecting of agriculture sector were the main reasons for the establishment of Reserve Bank of India. Yet, even after 12 years of the Reserve Bank establishment, bank failure did not stop. The major concern was the existence of non-scheduled banks as they remained outside the preview of the Reserve Bank. Banking was more focused on urban are as and the credit requirements of agriculture and rural sectors were neglected. These issues were solved when the country attained independence.

2. Foundation Phase (1947-1969)

When the country became independent in 1947, India banking was entirely in the private sector. In addition to the Imperial Banks, there were five big banks, each holding public deposits aggregating Rs.100 Cr. and more, Central Bank of India Ltd., Punjab National Bank Ltd, Bank of India Ltd, Bank of Baroda Ltd. and United Commercial Bank Ltd. At the time of in dependence, the banking structure was domestic scheduled commercial banks. Non- scheduled banks, though large in number but constituted a small share of the banking sector(1.5).

Table1.5 Number and Deposits of Indian Banks – End - December1947

	Category of Reporting Banks	Number	Deposits(Rs.Crore)
	Scheduled Banks	97	1090
	Imperial Bank	1	287
	Other Banks (A1 Banks)	81	623
			-49.4
	Exchange Banks*	51	

Source: Statistical tables relating to Banks in India, various issues

The banking system at the time of independence was largely urban-oriented and remained beyond the reach of the rural population. A large percentage of the rural population had to depend on the money lenders as their main source of credit banks. Rural access was grossly inadequate, as agriculture was not considered as an economic proposition by banks in these days. Thus, the rural economy, in general, and agriculture sector in particular, which is the crucial segment of the Indian economy was not supported by the banking system in any form. (Parmod Kumar)

ESTABLISHMENT OF STATE BANK OF INDIA

At the time of Independence, the Imperial Bank of India and all other commercial banks were urban oriented. Therefore it is the need of the hour, to provide the banking facility to the rural area. It was suggested that the Imperial Bank of India should extent its branches to *Taluka* or *Tehsil* to provide the banking services for the neglected area. The Imperial Bank of India was given a target of opening 114 offices within a period of five years commencing from 1st July, 1951. But Imperial Bank of India could open only 63branches till June 20, 1955[8]. Imperial Bank of India was taken over by the Government under the State Bank of India, Act, 1955, effective from July 1, 1955. Under the State Bank of India (Subsidiary Banks) Act, 1959, eight state owned/sponsored banks were taken over by State Bank of India as its subsidiaries, now called Associate Banks. With amalgamation of two of them (State Bank of Bikaner and Jaipur), the number of these associate banks has come down to seven. At present, state bank group consists of six banks.

3. Expansion Phase(1969-1990)

Although the banking system had made some progress in terms of deposit growth in the 1950s and the 1960s, its spread was mainly concentrated in the urban areas. It was felt that if bank funds had to be channeled for rapid economic growth with social justice, then most of the banks should benationalized[9]. Accordingly, the Government nationalized 14 banks with deposits of over Rs.50Cr. by the Banking Companies (Acquisition and Transfer of Undertakings) Ordinance, 1969. These banks were the Central Bank of India, Bank of Maharashtra, Dena Bank, Punjab National Bank, Syndicate Bank, Canera Bank, Indian Overseas Bank, Indian Bank, Bank of Baroda, Union Bank, Allahabad bank, United Bank of India, UCO Bank and Bank of India. The main objectives behind the nationalization of the banks wereasfollows[10]:

- ❖ Reduction in the regional imbalance of economic activities.
- ❖ To make the banking system reaches in hand of rural and semi-urban people.
- ❖ The aim was to bring a large area of economic activity within the organized banking system.

[8]Report on currency and finance (2008), ChapterIII

Although banks penetrated in rural areas, but amount of credit extended to the weaker section of society was not satisfactory. In 1974 the Narasimham Committee went into these problems and recommended the establishment of regional Rural Banks (RRB)under the „Regional Rural Banks Act, 1975‟. Banking in collaboration with central and State Governments, setup Regional Rural Banks in selected regions where the co-operative system was weak and where commercial banks were not very active.

On April 15, 1980 six more private sector banks were nationalized, making the number of public sector banks 27.

4. Consolidation and liberalization Phase(1990totill)

By the time the decade of 1990s started, a number of problems were facing Indian economy. The situation had become extremely uncontrollable. Fiscal deficit was constantly growing, balance of payment situation had become extremely critical. There was pressure from the external sector for putting the domestic economy in order. The need for initiating radical structural reforms was being greatly emphasized. Under structural reforms, the emphasis was on relaxing restrictions which severely impeded the functioning of the market mechanism and led to inefficiency and sub optimal resource allocation. It was a period when policy measures were directed towards liberalization, privatization and globalization of the economy in selective phased manner[11]. Financial sector reforms constituted an important component of the structural reforms. The basic objectives of these reforms was to promote a diversified, efficient and competitive financial sector for achieving improve deficiency of available savings, greater investment profitability and accelerated growth of the real sector of the economy. A three-pronged strategy was adopted under these reforms.

1. Improving the overall monetary policy framework
2. Strengthening the financial institutions
3. Integrating the domestic financial system with the global economy in a phased manner.

[9]Reportoncurrencyandfinance(2008),ChapterIII

[10]ParmodKumar(2006),Banking Sector Efficiency in Globalised Economy

One of the most important policy initiative of this phase was the acceptance and implementation of many recommendations of far reaching implications for the financial sector, made by the Narsimham Committee Simultaneously, for strengthening the securities market, Securities and Exchange Board of India was made a statutory body and given sufficient power to deal with various fraudulent practices and scams effectively. A few years later, Insurance Regulatory and Development Authority was set up to regulate and promote the insurance business on competitive lines.

In order to improve the financial strength and the profitability of the public sector banks and tone up the overall Indian financial system by examining all aspects relating to structure, organisation, function and procedures, the Government of India set up two high level committees with M. Narshimham, a former Governor of RBI, as their Chairman. The first Committee submitted its report in 1991 and the second committee, which was setup a few years later, submitted Report in 1998.

These reports made certain recommendations for introducing radical measures. The major thrust of the recommendations was to make banks competitive and strong and conducive to the stability of the financial system. The Government was advised to make a policy declaration that there would be no more nationalization of banks. Foreign banks would be allowed to open offices in India either as branches or as subsidiaries. In order to promote competitive culture in banking, it was suggested that there should be no difference in the treatment between public sector banks and private sector banks. It was emphasized that banks should be encouraged to give up their conservative and traditional system of banking and take to new progressive function such as merchant banking and under writing, retail banking, mutual funds etc. The committee recommended that foreign banks and Indian banks should be permitted to set up joint ventures in these and other newer forms of financial services.

The Government of India accepted all major recommendations of Narsimham Reports and started implementing them straightway, despite stiff opposition from banks unions and political parties in the country. It is primarily because of the financial sector reforms initiated during the last two decades or so that the Indian financial system is acquiring fast the shade so favibrant, dynamic, globalised, complex system today, creating new opportunities and challenges. But it still continues to be largely dominated by the presence of a giant public sector particularly in banking and insurance even though the private sector has been growing

[11]Reportoncurrencyandfinance(2008),ChapterIII

at a much faster rate in the recent years, out-playing the public sector in the matter of efficiency and performance.

RECENT DEVELOPMENT IN INDIAN BANKING SECTOR

In the recent year, the banking Industry has been under going rapid changes which is reflecting in banking reforms. Telecommunication and Information technology are the most significant areas which have changed rapidly. It has accelerated the broadcasting of financial information which lowering the costs of many financial activities. In the last few year banking sector has introduce new products: Credit Cards, ATM, Tele-Banking, Electronic Fund Transfer (EFT), Internet Banking, Mobile Banking etc. These new products increase the efficiency of banks by reducing transactions cost. Some of the important areas which developed recently are discussing here.

RETAIL BANKING CONCEPT

One of the major development in the banking sector is the introduction of retail Banking in the country. At present, banks are focusing more on retail banking by proving various loan facilities to depositors. The banking sector is facing increased competition from non-banking institution. The Retail Banking encompasses various financial products(different type of deposit accounts, home loan, auto loan, credit cards, demate facilities, Insurance mutual funds, credit and debit cards, ATM, Stock broking, payment of utility bills) catering to diverse customer groups, offering a host of financial services, mostly to individuals. Simply speaking, it takes care of the diverse banking needs of an individual. (Kaur, Bhandri and Gupt, 2009).

Now a days, banks are focusing more on individual needs through retail banking which in creased the other income of the banks significantly.

INFORMATION TECHNOLOGY

Information technology (IT) has transformed the functioning of businesses, the world over. With the innovation in the IT, Indian banking sector has benefited a lot by offering new products and services. Information technology has helped the banking sector by opening newer delivery channels to customers – ATMs networking in the form of shared payment networks, internet banking, implementation of core Banking solutions, mobile banking etc.

The RBI has played a proactive role in the implementation of IT in the banking sector. According to RBI the two major advantages of technological adoptions-

a. Reduction in banks operational cost.
b. Facilitating more efficient transactions among customers with in the same network.

Over the year RBI has increase the role of technology in the day to day operation of banks. The IT Vision Document, 2011-17 of the Reserve Banks sets out the roadmap for implementation of key IT applications in banking with special emphasis on seamless delivery of banking services through effective implementation of Business Continuity Management (BCM). Information Security policy, and Business process Re-engineering(BPR).

Public sector banks accounting for more than 60% of the total number of ATMs as at end March 2012, while close to one third of the total ATMs were attribute to the new private sector banks

Table No 1.6. ATMs of Scheduled Commercial Banks (Asatend–March 2012)

	Bank Group	On– site ATMs	Off-site ATMS	Total Number of ATMs
	Public Sector banks			
	Nationalised Banks			
	SBI Group			
	Private Sector Banks			
	Private Sector Banks			
	Private Sector Banks			
	Foreign Banks			
	AllSCBs			

Source: Trend &Progress Report of RBI, 2011-12

On Comparing the number of off-site and on-site ATM installed, it has been noted that new private sector banks have largest number of off-site ATMs in 2011-12, while Public sector banks have largest number of on-site ATMs. Further, foreign banks have more off-site ATM sthan on-site ATMs in all the financial area.

CONSOLIDATION THROUGH MERGERS

To archive higher level of efficiency and taking benefits of economics of scale, mergers and acquisition are increasing in the banking sector. The RBI has been encouraging the consideration process wherever possible, given the in ability of small banks to complete with large banks which enjoy enormous economies of scale and scope. It is observe that most of the mergers and acquisitions are voluntary and market driven between the healthy and financially sound and based on profit ability motive(Gulati, 2008).(AppendixIII)

BANKINGSTRUCTUREININDIA

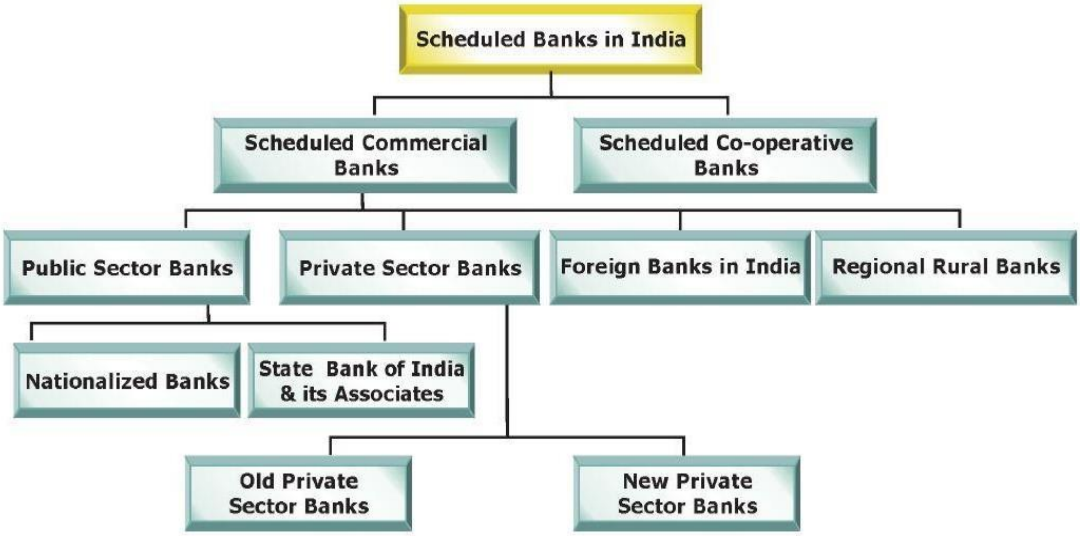
Indian banking system consists of “non scheduled banks” and “scheduled banks”. Non scheduled banks refer to those that are not included in the second schedule of the Banking Regulation Act of 1965 and thus do not satisfy the conditions laid down by that schedule. Schedule banks refer to those that are included in the Second Schedule of Banking Regulation Act of 1965 and thus satisfy the following conditions: a bank must

(1) Have paid up capital and reserve of not less than Rs.5lakh and satisfy the Reserve Bank of India (RBI) that its affairs are not conducted in a manner detrimental to the interest of its deposits.

Scheduled banks consists of “scheduled commercial banks” and scheduled cooperative banks. The former are further divided into four categories: (1) public sector banks (that are further classified as “Nationalized Banks and the “State Bank of India(SBI) banks”); (2) private sector banks (that are further classified as “Old Private Sector Banks” and “New Private Sector Banks” that emerged after 1991); (3) foreign banks in India, and (4) regional rural banks (that operate exclusively in rural areas to provide credit and other facilities to small and marginal farmers, agricultural workers and small entrepreneurs). These scheduled commercial banks except foreign banks are registered in India under the Companies Act.

The SBI banks consist of SBI and five independently capitalized banking subsidiaries. The SBI is the largest commercial bank in India in terms of profits, assets, deposits, branches and employees and has 13 head offices governed each by a board of directors under the supervision of a central board. It was originally established in 1806when the bank of Calcutta (latter called the Bank of Bengal) was established, and the amalgamated as the Imperial Bank of India after the merger with the bank of Madras and the Bank of Bombay. The Imperial Bank of India was Nationalized and named SBI in1955. Nationalized banks refer to private sector banks that were nationalized (14 banks in1969and6in1980) by the central government compared with the SBI banks, nationalized banks are centrally governed by their respective head offices. In 1993, Punjab National Bank merged another nationalized bank, New Bank of India, leading to a decline in total number of nationalized banks from 20 to 19. Regional rural banks account for only 4% of total assets of scheduled commercial banks. As at the end of March 2001,the number of scheduled banks is a follows: 19 nationalized banks, 8 SBI banks, 23 old private sector banks, 8 new private sector banks, 42 foreign banks, 196 regional rural banks and 67 cooperative banks. But number of scheduled commercial banks in India ason31 October,2012asfollows: 26 public sector banks 20private sector banks

Figure1.1BankingStructureinIndia



CONCLUSION:

Indian banking system has been a slow and difficult task – and one that has been significantly curtailed by the pandemic. However, the progress made prior to early 2020 has allowed the banking system to weather the COVID-19 storm, despite significant outbreaks and stringent lockdowns. Despite some improvements, the health of the Indian banking system is likely to constrain its ability to extend credit and support the economic recovery.

Efforts are underway to strengthen bank balance sheets further, although banks will need to continue to absorb additional government bond issuance as they do this. Spillover risks from NBFCs also remain elevated. This weak outlook is likely to weigh on India's development and growth, which presents a downside risk to the demand for Australia's exports.

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IMPACT OF SMARTPHONE USAGE AMONG STUDENT'S COMMUNITY- A STUDY WITH REFERENCE TO SIVAGANGAI DISTRICT

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ABSTRACT

Smartphones have now become cross-generational staples as people of all ages communicate with each other across the world. Its technology is developing very fast. The advancement of technology is facilitating all types of communication like text, voice, audio, still pictures, video as a confluence. All these provide advanced facilities of communication and entertainment to mobile phone users. This research mainly focuses impact of on the usage of smartphone among the students community. In this research study based on primary data and the researcher used chi-square test to analyse the demographic factors influence in usage of smartphone in student's community.

Key words: Smartphone, Apps, Demographic factors

IMPACT OF SMARTPHONE USAGE AMONG STUDENT'S COMMUNITY - A STUDY WITH REFERENCE TO SIVAGANGAI DISTRICT

(Dr.B.Kavitha)

INTRODUCTION

Nowadays, smartphones have become a part of every person life. People around the world have adopted this new and exciting technology as one of the most important required facility in their everyday life. A variety of smartphones applications is available to be used in a wider range of usage situations. It is no doubt a smartphone is a new gadget which has a capability to change people lives. Smartphones are used to replace digital cameras, watches, video recorders, and many more. Having a smartphone is like having a tiny computer in a pocket. With the advancement of the Internet technologies and its applications, smartphones are not only used for making phone calls but also for internet usage such as sending and receiving emails, chatting, sharing photos and documents, reading news, browsing the Internet, and online selling and buying. The dramatic growth of smartphone users has also increased the growth of social media users.

OBJECTIVES

1. To study the awareness level about the Smartphone applications.
2. To analyze the factor influencing wide adoption of Smartphone application by Student community

SAMPLING DESIGN

A sample size of 123 respondents was selected by Raosoft calculators. Convenient sampling method has been chosen for select the sample respondents from the universe. The respondent includes the college and university students of Sivagangai District.

HYPOTHESES

To give a specific focus to the objectives, hypotheses have been framed to test the objectives in clear terms using appropriate statistical tools. It necessitates the development of hypotheses at each and every stage of the analysis. Following null hypotheses were formulated for the study.

H1: There is no significant association between Educational Qualification and Smartphone using hours.

H2: There is no significant association between Educational Qualification and Smartphone buying frequency.

H3: There is no significant association between Educational Qualification and Type of Smartphone.

H4: There is no significant association between Monthly income and Frequency of buying Smartphone.

H5: There is no significant association between marital status and Type of Smartphone.

H6: There is no significant association between Family members and Using hours of Smartphone.

HISTORY OF SMARTPHONE:

Hand phone and Internet are the two technologies that have major impact on politics, economy and social in the 21st century (O'Leary & O'Leary, 2005). The converging of hand phone and internet (Baily et al, 2001) had given birth to smartphone. It has been just few years, and exactly from the introduction of the first iPhone (2007), since the smartphone became a mass consumption product, though smartphones have been around for many years. The first device able to combine voice, data and PIM applications was an IBM product known under the name of "IBM Simon". The IBM Simon was first presented in 1992 at the CONDEX, the computer industry trade show that takes place in Las Vegas, and was launched into the market the following year by a company called BellSouth (Schneidawind,1992).then came palm pilot in the year 1996 ,which was cutting edge device that spawned the entire PDA industry. The nokia 9110 communicator was introduced in year 1998, in comparison to modern smartphone it has a gray scale screen and no real ability to browse the web, but still it is counted as part of smartphone history. In the year 2002 Blackberry 5810 was introduced, which was able to get email and surf the web, the main downside of the device was that you need to plug in a headset in order to talk on phone, which was later on made error-free in early 2004 and model was named as Blackberry 6210. In 2003 the palm treo 600 was introduced, in real sense treo 600 was in itself the first smartphone released in the market by palm. Apple's iPhone was launched in the year 2007; it was a revolutionary device in times. Apples first attempt at cracking the smartphone market was no doubt a success, and iPhone is still the device to which all other smartphones are compared. In the year 2007 Google unveils Android; Android's rise is fairly remarkable for an operating system that only just launched in the fall of 2007. The open-source operating system's success is even more impressive when you consider that when it debuted it was already facing a crowded field of OS heavyweights such as the iPhone, BlackBerry, Windows Mobile and Symbian. But now Google's open-source mobile operating system has become a major player in the smartphone industry. In year 2009 the Motorola Droid was introduced in the competitive market of Smartphone, Droid was the first major hit for the Android platform that had enduring brand recognition. Year 2010 got see first ever 4G enable smartphone been launched by HTC named as HTC EVO 4G[26]. Lastly it can be seen purely by observing the market that the smartphone industry would never see an end of its era in itself.

ANALYSIS AND INTERPRETATION

Table:1 Demographic Analysis

Parameters	No. of Customers	Percentages (%)
Gender		
Male	39	31.7
Female	84	68.3
Total	**123**	**100**
Age		
Below 20	19	15.4
20-25	62	50.4
26-30	30	24.4
Above30	12	9.8
Total	**123**	**100**
Qualification		
Up to school level	10	8.1
Graduate	20	16.3
Post Graduation	73	59.3
Diploma	4	3.3
Philosophy	16	13.0
Total	**123**	**100**
Monthly Income		
Up to Rs.45000	18	14.6
Rs.45001 to Rs.65000	41	33.3
Rs.65001 to Rs.85000	44	35.8
Above Rs.85000	20	16.3
Total	**123**	**100**
Marital Status		
Married	24	19.5
Unmarried	99	80.5
Total	**123**	**100**
Family Size		
Upto 3	77	62.6
4-6	36	29.3
Above 6	10	8.1
Total	**123**	**100**

Chi-Square test

The chi-square test is an important statistics used for testing the statistical significance of the cross-tabulation table. Chi-square tests determine whether or not the two variables are independent. If the variables are independent (have no relationship), then the results of the statistical test will be "non-significant" and are not able to reject the Null hypothesis, conclude that there is no relationship between the variables. If the variables are related, then the results of the statistical test will be "statistically significant" and are able to reject the null hypothesis, and conclude that the researcher can state that there is some relationship between the variables.

Chi square test (x^2) = **(O - E)** ^{2} **/ E**

Whereas,

O - Observed variable

E - Expected variable

Table;2 SMART PHONE USAGE

Hypotheses	Calculated Value	DF	Sig. value	Result
Educational Qualification vs Smartphone using hours	25.495	12	0.013	Rejected
Educational Qualification vs Smartphone buying frequency	22.323	12	0.034	Rejected
Educational Qualification vs Type of Smartphone	11.539	8	0.173	Accepted
Monthly income vs Frequency of buying Smartphone	19.839	9	0.019	Rejected
Marital status vs Type of Smartphone	6.978	2	0.031	Rejected
Family members vs Using hours	13.036	6	0.042	Rejected

In order to study the relationship between the variables chi-square test has been applied. The result of hypotheses testing of independence; the value of Educational qualification and Smartphone using hours is 25.495 with 12 degree of freedom, Smartphone buying frequency is 22.323 with 12 degree of freedom, which result in a significant value of 0.013 and 0.034, since less than 0.05, the Null hypothesis is rejected. Educational qualification and type of Smartphone value is 11.539 with degree of freedom 8, which result in a significant value is higher than 0.05, the Null hypothesis is accepted. The value of Monthly income and frequency of buying Smartphone is 19.839 with degree of freedom 9, marital status and type of Smartphone is 6.978 with degree of freedom 2 and family member vs using hours value is

13.036, which result in a significant value is 0.019, 0.031 and 0.042 frequently, since less than 0.05, the Null hypothesis is rejected.

CONCLUSION

India is the largest and most promising country with the advanced mobile communication technology and modern adopters. Smartphone is seen as an icon of young generation. People see mobile phones as an extension of their hand and they depend on social network ties to establish their self. Many respondents felt that the convenience and mobility are the main motivators for using mobile Internet. Men were found to be technically attached with their Smartphone and Women perceive Smartphone with a social and emotional attachment. Smartphone is perceived in varied manners based on the need of an individual. People show a positive attitude towards mobile net, which is conquering the globe with full force. This study would help to picture out the future trends and developments expected towards Mobile internet.

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THE FRAUDULENT AND PRECAUTION OF NON-BANKING FINANCIAL COMPANIES IN INDIA

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ABSTRACT

Non-bank finance companies operate in the loan and advance market as well as in other areas of the economy. NBFC is crucial in offering accessible financial services. The economy is indirectly boosted by NBFC. It focuses on boosting living standards through asset mobilisation, loan syndication, leasing, hire-purchase, the insurance industry, employment creation, and financial market expansion. NBFC is significantly more significant for a developing economy like India. The purpose of this paper is to examine the nature and perception of NBFC frauds in India and their consequences in the business and economic systems, and emerges the precaution steps taken by the RBI

KEYWORDS

Non-banking financial companies, Reverse bank of India**,** financial frauds, precaution, fraud prevention

INTRODUCTION

The NBFC have grown significantly over time, and with the expansion of the banking industry came the emergence of financial frauds. Almost as old as the founding of banks is the history of banking fraud. "Any behavior by which one person intends to obtain an unfair advantage over another" is the definition of fraud (RBI, 2013). Accordingly, the Reserve Bank of India defines fraud as an act of commission and/or abetment that is designed to result in illegal gain for one or more people or entities and unjust loss for another, whether through the hiding of facts through dishonesty or by pulling a con. In today's world, bank frauds come in various shapes and sizes and affect every aspect of banking. There is a courageous the NBFC must constantly be vigilant against the threat of fraud, develop robust systems that can protect against and prevent fraud, and continuously assess the effectiveness of such preventive systems. NBFC must be proactive and preventive if they hope to successfully limit fraud. When safeguards or procedural checks are insufficient or not followed, the system is left open to fraud, which can be committed by both insiders and outsiders. A fraudster intends to attack the system at its weakest spot. Continuously improving operational policies, procedures, control, and review mechanisms that ensure fraud-prone areas are protected from internal and external breaches is an effective defense the NBFC may have against fraud.

DEFINITION OF FRAUDLENT

Fraud is described as an intentional act involving the use of deception to acquire an unfair or illegal benefit that is committed by one or more members of management, those responsible for governance, or third parties. A fraud may involve the falsification of information, whether financial or otherwise, or the theft of the entity's assets.

REVIEW OF LITERATURE

- **RBI, 2020** according to the RBI's annual report for 2019–20. The volume of reported fraud instances has increased by 28%. The amount of loss has increased by 159% as a result of the increase in the frequency of frauds.

● **RBI, Publications, 2019** The number of frauds increased by 15% in 2018–19, and the amount involved in fraud increased by 73.8%, according to the Annual Report for 2018–19. The fact that these losses are connected to frauds from prior years was added, nevertheless. And this occurred because there was a 22-month average latency between the date of the incident and the banks' discovery of it. For major frauds, defined as those worth $1 billion or more and totaling $522 billion recorded in 2018–19, the average lag time was 55 months**.**

- **RBI Publications 2018** According to the annual report for 2017–18, the Supervisory Programme for Assessment of Risk and Capital (SPARC) for banks operating in India has successfully implemented Risk-Based Supervision (RBS) over five supervisory cycles. The survey also stated that whereas frauds peaked at 4500 in the previous ten years, they surged to an alarming 5835 in 2017–18. The cost of losses brought on by frauds also increased significantly, reaching 410 billion in 2017–18. However, a huge value fraud performed in the gems and jewellery sector was the cause of this significant growth.

OBJECTIVES

- To identify the fraudulent activities done by the NBFC.
- To know the precautions steps to prevent fraudulent.

METHODOLOGY

The nature of the current study is descriptive. A thorough analysis of the relevant literature identifies the characteristics of NBFC scams. A new area of research was opened up by the critically examined literature of earlier studies. Data for this study is gathered from reports that have been published and unpublished by the Public and Private Sector NBFC under examination, the Reserve Bank of India, the Indian Bank Association, government publications, journals, magazines, books, and periodicals, among other sources.

CURRENT FRAUDLENT ACTIVITIES OF NBFC

- **fake loan adverts posted by scammers**

  Fraudsters publish false advertisements that promise personal loans at enticingly low interest rates, with simple payback terms, or without the need for security or collateral, among other things.

  Fraudsters invite the borrowers to contact them by emailing them with such offers. These email addresses are created to resemble the email addresses of top executives of well-known, legitimate Non-Banking Financial Companies in order to obtain trust with duplicitous borrowers and to inspire confidence (NBFCs).

  When borrowers approach fraudsters for loans, the con artists steal money from the borrowers in the form of up-front expenses such as processing fees, Goods and Services Tax (GST), interstate charges, advance Equated Monthly Instalment (EMI), etc., and flee without disbursing the loans.

- **Scams via SMS, email, instant messaging, and calls**

  The logo of a well-known NBFC is used as the profile picture on the mobile number supplied by the fraudsters in order to give the fake messages they send through instant messaging apps, SMS, and social media platforms the appearance of credibility.

  After sending such bulk messages/SMS/emails, the fraudsters phone random persons and share bogus sanction letters, copies of fake cheques, etc., and demand various fees. The fraudsters may even give their Aadhaar card/Pan card and fake NBFC ID card. The fraudsters steal the money after the borrowers pay these fees.

- **Frauds based on OTP**

  On the loan accounts of NBFC/bank customers, scammers posing as NBFCs send SMS / messages offering loans or increasing credit limits and asking the customers to contact them on a mobile number.

Customers are asked to fill out forms to provide their financial credentials when they phone these numbers. Once the customers have shared their OTP or PIN information, fraudsters can make unauthorized withdrawals from their accounts.

- **Fraudulent apps and fake loan websites**

  Unreliable lending apps that provide immediate and short-term loans are made by fraudsters. These apps deceive the borrowers while also potentially charging much higher interest rates. The con artists use pressure techniques to entice unsuspecting borrowers by advertising "limited period specials" and requesting hasty responses.

- **Fraud involving money-transfer, Ponzi, and Multi-Level Marketing (MLM) schemes**

  Fraudsters promise easy or rapid money upon enrollment or addition of members using MLM, Chain Marketing, and Pyramid Structure schemes.

  In addition to promising substantial profits, the schemes also pay the first few installments (EMIs) to win over the trust of naive people and draw in new investors through word-of-mouth advertising.

  The plans promote including more individuals in the chain or group. Instead of being compensated for the sale of goods, the enroller receives commission based on how many individuals they bring into the programme.

  After some time, when fewer people are enrolling in the programme, the model becomes unsustainable. After that, the con artists shut down the scam and vanish with the money the investors had put in up until that point.

- **fake documents and fraudulent loans**

  Forged documents are used by fraudsters to obtain services from financial organizations.

  Fraudsters steal clients' personal information, including identification cards, bank account numbers, and other details, and then use this data or credentials to obtain benefits from a financial institution.

  Fraudsters ask customers for KYC-related paperwork while posing as NBFC personnel.

PRECAUTION STEPS TO PREVENT FRAUDULENT

- **fake loan adverts posted by scammers**

Banks and NBFCs subtract the loan processing cost from the amount of the loan that has been approved; the borrower is not required to pay the fee up front in cash.

Never pay a processing fee in advance since banks and NBFCs never request payments in advance before processing loan applications.

Never pay for online offers of loans at cheap interest rates or enter secure credentials before examining or verifying the information with reliable sources.

- **Scams via SMS, email, instant messaging, and calls**

Never pay for or provide any personal or financial information in response to loan offers made by individuals on their own through telephones, emails, etc. without first verifying the legitimacy of the offer through other means.

Never reply to promotional SMS or emails or click on links delivered by SMS or emails.

Never click on links in emails from unfamiliar sources that appear to be phishing attempts or to include suspicious attachments.

- **Frauds based on OTP**

Never, not even among with your own friends and family, share your OTP, PIN, or other sensitive information.

Consistently check your emails and SMS to make sure no OTP has been generated without your awareness.

Always visit the bank's, NBFC's, or e-wallet provider's official website or call the branch to use their services and/or get information about their products and services.

- **Fraudulent apps and fake loan websites**

Check with the government, regulators, or other authorized bodies to see if the lender is registered. Verify the lender's contact information and physical address to make sure it will be easy to get in touch with them later. If the lender seems more focused on acquiring personal information than on verifying credit scores, be wary. Keep in mind that no reputable bank or NBFC will ever request payment prior to processing a loan application. Genuine loan companies never extend credit without first checking the borrowers' documentation and other credentials. Verify the legitimacy of these NBFC-backed loan applications.

- **Fraud involving money-transfer, Ponzi, and Multi-Level Marketing (MLM) schemes**

Risks and returns are inversely related. Risk increases as return increases.

Any program that continuously offers returns that are exceptionally high (40–50% per annum) could be a symptom of fraud, so vigilance should be taken.

Always be aware that any payment, commission, incentive, or percentage of profit that does not accompany the actual sale of products or services is shady and could indicate fraud.

Avoid being seduced by the claims of great returns made by companies running Pyramid, Chain, or Multi-Level Marketing schemes.

The Prize Chits and Money Circulation Schemes (Banning) Act, 1978 makes it a crime to accept money through pyramid schemes, multi-level marketing, or money circulation.

In the event of such offers or learning of such schemes, a complaint must be made right away to the If you receive such offers or learn about such schemes, you must file a report with the State Police right away.

- **fake documents and fraudulent loans**

When submitting KYC information and other personal papers, such as the National Automated Clearing House (NACH) form, for the approval of loans or the use of credit facilities from any entity, especially from people claiming to be representatives of these entities, use proper caution and vigilance. Only authorized personnel of the entity or on authorized email accounts of the entity should have access to such documents. Follow up with the relevant parties to make sure that, in the event that the loan is not approved and/or the loan account is closed, the papers you shared with them are immediately deleted by them.

SUGGESTION

Be cautious of pop-ups that seem strange when you are exploring the internet. Before conducting any online transactions, always look for a secure payment gateway (https:// - URL with a padlock symbol). Keep the PIN (Personal Identification Number), password, credit or debit card number, CVV, etc., private and avoid disclosing the private financial information to friends or family members, banks, or other third parties. Avoid keeping credit card information on websites, gadgets, shared laptops, and desktops. Where two-factor authentication is an option, enable it. Never respond to or open emails from unfamiliar sources as they may include phishing links or suspicious attachments. Never give copies of your cheque book or your KYC documents to total strangers.

CONCLUSION

The NBFC industry has advanced significantly in terms of its scope, methods of operation, technological complexity, and forays into more recent markets for financial services and goods. On both sides of their balance sheets, NBFCs and organizations in the financial industry are now intricately linked. They are just as vulnerable to these dangers as banks because they are financial institutions. The RBI has released a master circular on reporting frauds in recognition of the risk concerns that apply to NBFCs. A comparable road map to the one for banks is laid out in the circular. Similar to the banking industry, NBFCs are now responsible for avoiding fraud, which exposes them to unpredictably high financial risks. The RBI has also required NBFCs to report scams in a specific format. The size, operations, technological complexity, and expansion into more recent financial services and products are all examples of how the NBFC industry has changed significantly over time. present NBFCs with some difficulties and may force many of them to reconsider their business models. In accordance with the rising challenges posed by technology, these regulations require NBFCs to upgrade their systems and procedures and provide them with cutting-edge tools to prevent and identify fraud.

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A STUDY ON IMPACT OF COVID-19 ON DIGITAL PAYMENTS IN KOTTAYAM DISTRICT, KERALA, INDIA

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ABSTRACT

This paper analyses the impact of covid-19 on digital payment – a fintech in Kottayam, Kerala, India. The pandemic had affected the entire globe and disrupted the normal life of people. Since the movement of people where restricted, people were forced to use the hands free methods of financial transactions. But does the pandemic have an impact on a finance technology like digital or online payment is the question the researcher tries to answer via this research. For the purpose of study primary data were collected from 200 respondents using convenience sampling and analysis were conducted through various graphic tools and chi-square test in SPSS. The study was conducted for a period of three years starting from April 1st 2019 to 31st march 2022.The result revealed that there is a significant impact on the usage of digital payment due to pandemic.

Keywords: Covid19, digital payments, fintech

INTRODUCTION

The fintech in our country is witnessing dynamic transformation in this country with the advent of digital payments, mobile banking, digital wallets, bit coin, block chain technology and artificial intelligence. The country is still moving on the path of a major digital revolution. This shift from traditional payment mechanisms to virtualisation of the various transaction will be considered as milestone in the era of Digital Economy. Internet has become a part of the day to day life of the common man. Internet is being used on a large scale to disseminate different data and information's. An online payment in short can be simply defined as payment for the various goods and services over internet. Electronic payments come with different forms, like credit card, debit card, bank transfers etc.

Digital payments and internet can help the divide that exist between the rich and poor in terms of quick access to finance. Hence the government of India and financial regulators are pushing to increase the adoption of digital payments and other finance technology. After the demonetization initiative by the government of India, it is being said that the current pandemic situation is paving a new way to the digital transformation in the economy, as the movement of the people were restricted. Hence more research is needed to explore how the pandemic affected the digital payment in the country.

PROBLEM STATEMENT

There are large number of studies have been conducted investigating the relationship between Digital payment mechanism and various economic and non-economic events. But the pandemic being a new phenomenon, researchers need to explore how the covid-19 impacts digital payment in a detailed and well versed manner. The current study is an effort to find out whether there is any impact of covid-19 on digital payment and what payment method is adopted mostly during these pandemic period and lockdown time.

OBJECTIVES OF THIS STUDY

The specific objective of this study is as follows;

A) To identify the impact for Covid-19 on Digital Payment usage in Kottayam, Kerala, India.

B) To study attitude of people towards online payments.

C) To find out why people use online payments.

D) To identify the challenges faced by the users during digital payment mechanisms.

HYPOTHESIS

In order to answer whether the Covid-19 had any impact on Digital payment, the following hypothesis was set:

H1: There is no significant increase in the usage of Digital payment during the pandemic period.

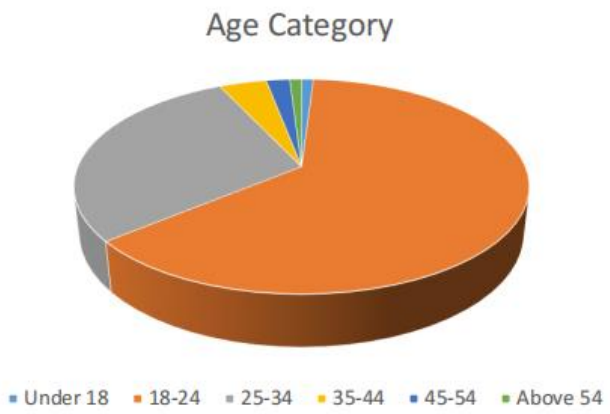
H**2**: There is no significant difference in the proportion of consumer preference towards various payment mechanisms.

RESEARCH METHODOLOGY

Descriptive research is being used in this study. Primary data for the study is being collected from people of Kottayam using questionnaire. The population for the study is 2,083,152 (as per Aadhar uidai.gov.in Dec 2020 data). A sample of 200 being selected from different parts of Kottayam using purposive sampling. Duration of the study was from April 1st 2019 to 31st March 2022. The data was analysed using descriptive statistics tools and Chi-square test.

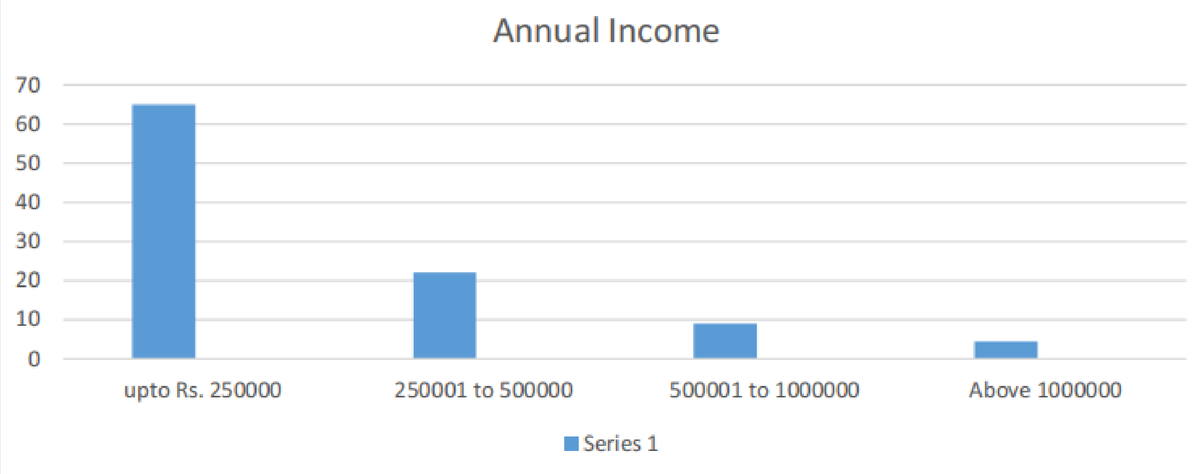
ANALYSIS AND INTERPRETATION

Age category of Respondents



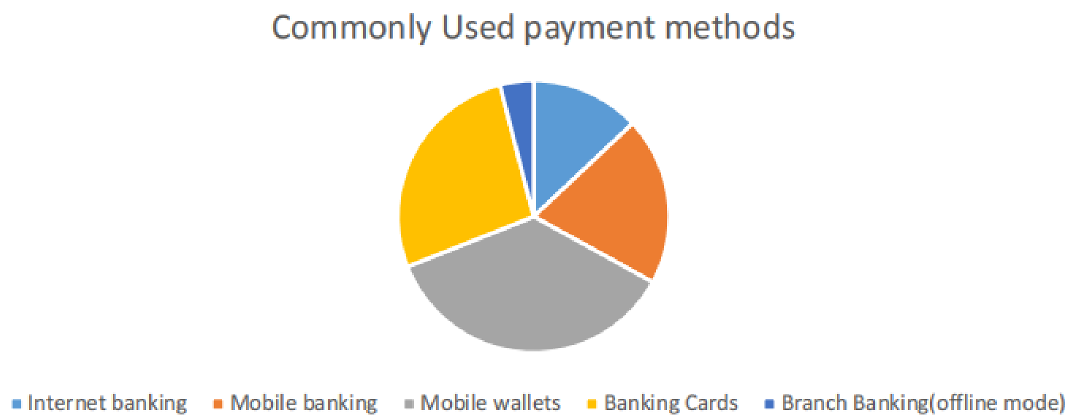
Graph 1: Age category of Respondents

Annual Income of Respondents



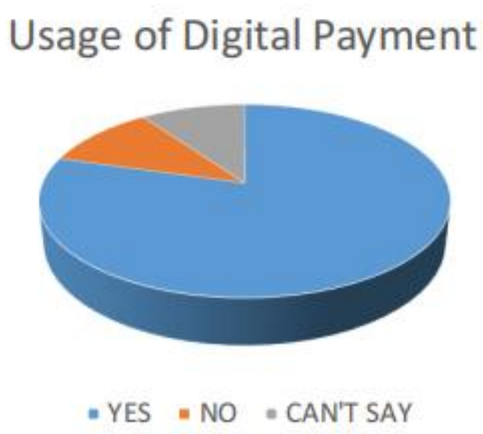
Graph 2: Annual Income of Respondents

Commonly Used Digital Payments



Graph 3: Commonly Used payment mechanism

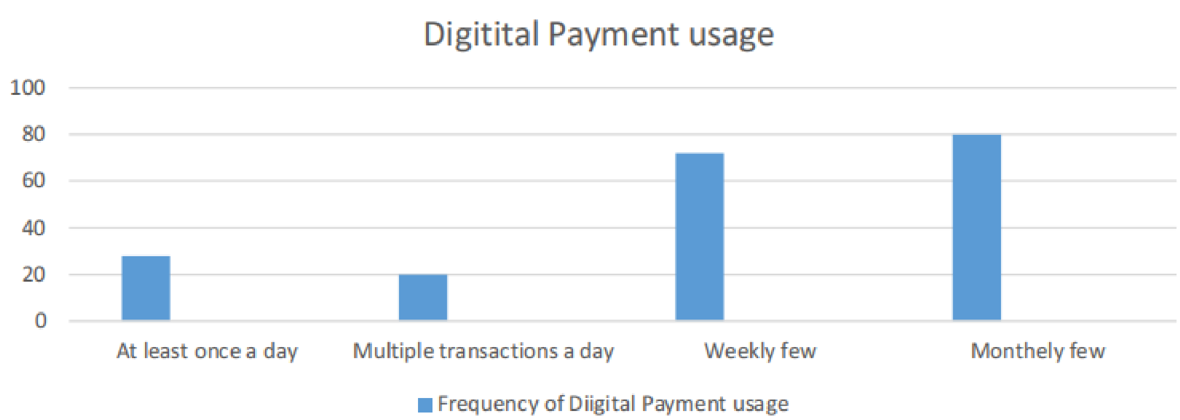
Opinion of the Respondents whether pandemic tend to increase the digital payment usage.



Graph 4: Opinion of Respondents

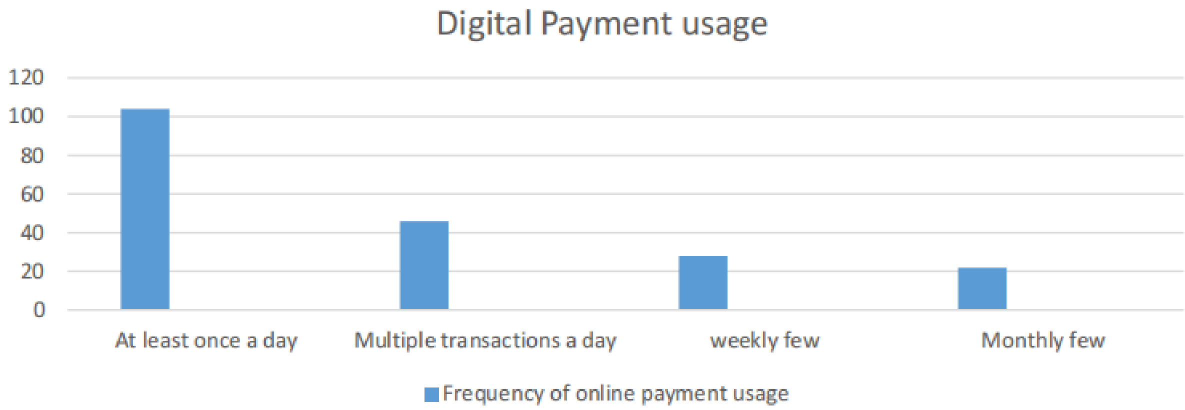
Frequency of Online Payment usage:

A) Before the Pandemic



Graph 5: Digital payment usage before pandemic

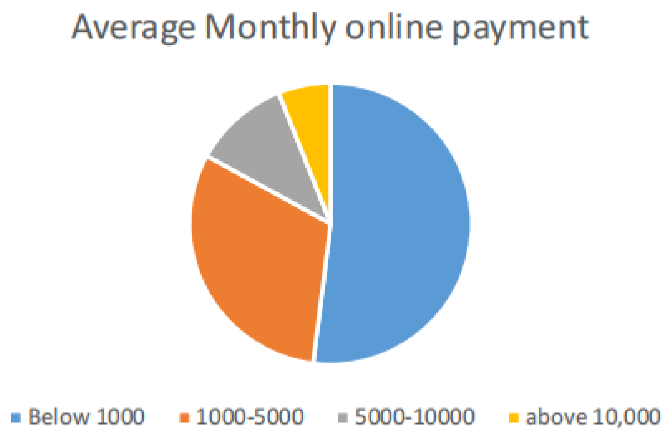
B) During the Pandemic



Graph 6: Digital payment usage during pandemic

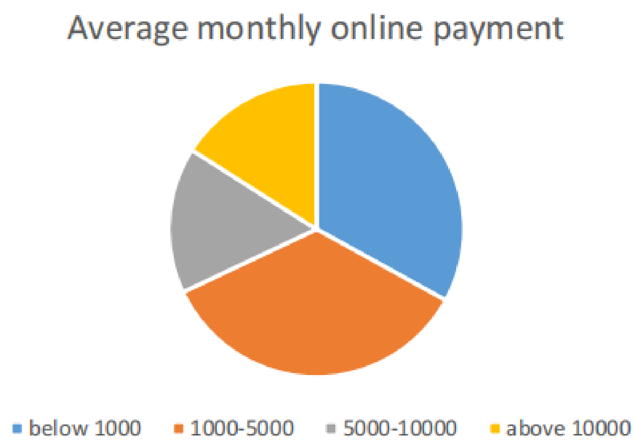
Average monthly online payments:

A) Before Pandemic



Graph 7: Average monthly Payment Online payment before pandemic

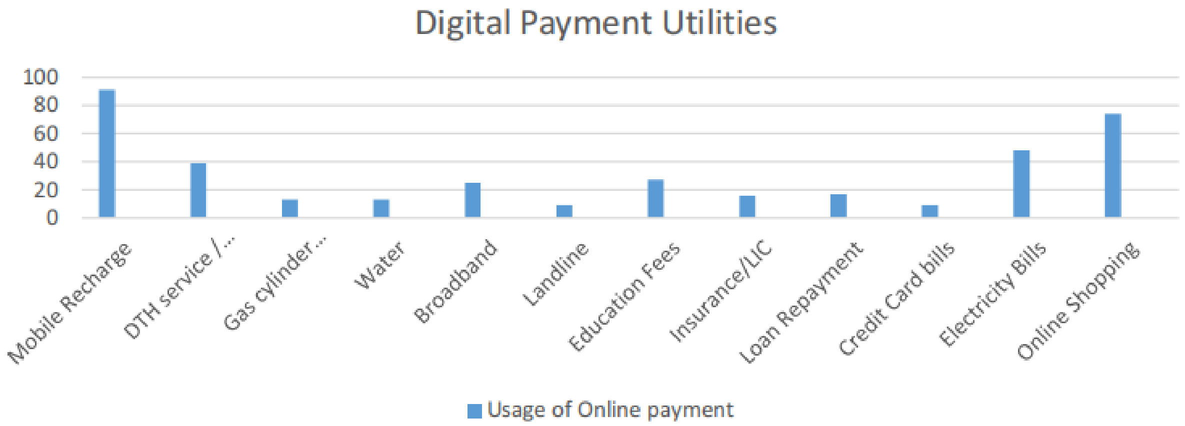
B) During Pandemic



Graph 8: Average monthly Payment Online payment during pandemic

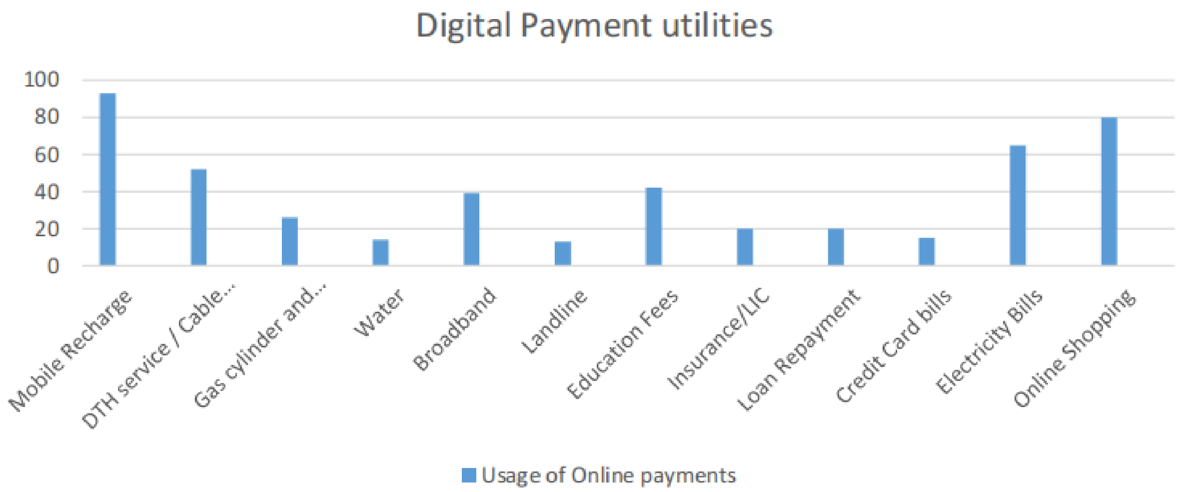
Purpose for which online payments commonly used:

A) Before pandemic



Graph 9: Digital Payment usage before pandemic

B) During the pandemic



Graph 10: Digital Payment usage during pandemic

The challenges faced by people in adopting online payment

Graph 11: Challenges of Online payments

Chi-square test

Chi-square test was used to test the hypothesis:

H1: There is no significant difference in the proportion of consumer preference towards Various payment mechanisms.

Table:1 Chi-square test

Applications	Observed frequency	Expected frequency
Internet Banking	35	40
Mobile Banking	45	40
Mobile wallets (google pay, PhonePe, PayTM etc.)	75	40
Banking Cards (ATM cards, debit cards, credit cards etc.)	30	40
Branch Banking (offline mode)	15	40
	200	200

P VALUE= 0.00000000036108654049

CHISQUARE VALUE=50

LEVEL OF SIGNIFICANCE=0.05

DOF=4

TABLE VALUE=7.815

CALCULATED VALUE>7.815, REJECT NULL HYPOTHESE

Since the calculated Chi-square value of 50 is greater than the critical chi-square value of 7.81, there is a strong evidence to reject the null hypothesis of 'no significant difference'. Therefore, it is concluded that there is significant difference in the proportion of people's preference towards various payment mechanisms.

FINDINGS

The findings of the study are as follows:

- There is a significant Increase in the usage of digital payments during the pandemic period.
- There is a significant difference in the proportion of consumer preference towards various payment mechanisms
- ATM cards and mobile wallets were the most commonly used payment means by people across the Kottayam district.
- Before the covid-19 scenario people mostly uses online payments for mobile recharge and online shopping purposes. However, the usage various other purposes like DTH service /

Cable TV Services, Gas cylinder and Piped Gas Services, Water, Broadband, Landline, Education Fees, Insurance/LIC, Loan Repayment, Credit Card bills, Electricity Bills, and Online Shopping had increased significantly during covid-19 days.

- The major challenge faced by the customers in online payments are lack of adequate Internet connection.

CONCLUSION

This study aimed at analysing the Impact of covid-19 on digital payment in Kottayam district, Kerala, India. From the result obtained after conducting chi-square test and various graphical tools, it is evident that the Covid- 19 had significantly changed the payment modes of common people from the traditional paper currency to cashless mode, i.e. online payment. But it again paves the way for further research questions like whether this impact of covid-19 on digital payment will sustain for a longer term or whether people will go back to their older ways of transactions? What are the factors that motivates people to continually use digital payments? etc.

A STUDY ON THE NON-PERFORMING ASSETS RECOVERY STRATEGY IN INDIAN BANKING SECTOR

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ABSTRACT

Undoubtfully banking and financial institutions play vital role in constructing the economy of the nation. More specifically, the banking sector in developing countries like India is playing a crucial role in shaping the economy. Indian Banking sector is performing extremely well post LPG era and introduction of the novel financial products have geared the exponential growth of this industry. It is inevitable that any fast-growing sector has to experience its growth-related issues. The exponential growth of the Indian banking sector has paid its price for the same in the way to solve it the NPA – Non-Performing Assets. To address this issue, the present study has made an attempt to review the efforts taken by the banking authorities to address this issue and explore the best possible way solve it. To achieve this objective, data have been collected from official web sites of various banks, RBI and Finance Ministry. It is found that among the various schemes executed by the authorities to recover money from the unrecovered, the SARFAESI Act has delivered some fruitful results. The study also recommends that the authorities must apply some of the prudent methods to identify the right type of borrowers even before lending, which is proactive strategy to avoid such mounting NPAs both in values and volume.

Key words: Banking sector, Non-Performing Assets, RBI, Willful defaulters.

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INTRODUCTION

Banking Sector plays a pivotal role in the development of a country. It can be said that there is direct relationship between the development of banks and the development of economy in a country. But the present scenario of banking sector seems so absurd due to uncontrollable rising of NPAs. Even though various steps are taken by the authorities concerned to control the NPAs, still the accumulation of NPA is not been addressed yet properly. ln the year 2005, the Gross NPAs and Net NPAs were '48,399 crores and '16,904 crores stood respectively and the GNPA increases to 1,64,462 crores and the NNPA at 90,000 crores respectively in the year 2013. In order to arrest the accumulation of NPA, the Finance Ministry of India has introduced many strategies to control the same and recover from the NPAs. These strategies have been classified into two categories. The strategies under the first category have focused on the ways to recover the money from the NPAs and the strategies classified under the second one have focused on preventive measures to be implemented to arrest the NPAs.

For a sound and stable financial system, healthy financial institutions are the primary requirements and the banks are part of the system on which the healthy financial system is depended. In the recent global economic crisis, financial health of banks was seriously affected especially in US and Europe. This crisis has raised serious questions on the TINA (There Is No Alternative) concept as well as the financial innovations initiated for achieving rapid economic growth. This global economic crisis demands obsession to achieve economic growth targets and thus, it has created so many concerns in the global economy and regulations put forth were identified as an obstacle towards growth of the economies of the nations. The LPG Policy adopted by almost every nation in the world after 1991 have almost abolished or minimised the so called regulations for ease of doing business, and this phenomenon had some negative impact on the performance of the banking sector, which could be criticized as one of the reason for the accumulation of NPAs across the world.

Ben Bemanke, the than Chairman, Federal Reserve had rightly pointed out, after world economic crisis, that the lesson I take from the experience is not risk, but that their execution must be better and smarter. This statement was made after bankruptcy of major banks· and financial institutions in USA. As a result, safety and stability of banking sector has been the thrust of the post-crisis policy reforms. (Duwuri Subbarao, 2013). Though, the Indian Banking System was insulated and managed to survive with less impact by this world economy crisis, it has taught some important lessons for the management system in general and for banking system in particular.

"The Indian financial system comprises an impressive network of banks and financial institution and wide range of financial instruments." (Rangarajan, 2013) Before initiating the financial sector reforms in 1991, Indian Banking system was weak in terms of net worth and profitability. Reserve Bank of India and the Indian Government have made notable changes in policies and regulation to strengthen the sector. (Bhawani Prasad & Veena, 2011) These notable changes have undoubtedly helped to improve the sector and simultaneously to achieve the growth targets but it has also created new challenges before the banks. On the one hand enhancing profits, financial innovations were in initiated by banks and on the other hand capital adequacy, quality of assets, entry of new banks, policy of financial inclusion, management of non-performing assets has created hardship before the management of the banks.

Non-Performing Assets (NPA) is an issue which affects not only the banking sector but also to create obstacles in growth of the economy. "The money which is locked as NPA is not available for productive activities. It adversely affects the profit of the bank and as a result it increases the higher rate of their diligent credit customer." (Koti, 2013). The volume of Gross Non- Performing Assets was reached to 1,93,200 Crores in March, 2013. The Gross Non-Performing Assets of top 10 public sector banks as percentage of their net worth have ranged from 33% to 71% of their Net Worth. The bad loans was about Rs. 5,00,000 Crores in the year 2013. These data reflects that the problem of NPA is very crucial one and the efforts made by the RBI and the Government to handle the same are not sufficient and effective to overcome such problems. Hence, in this research work an effort has been taken to analyse the NPA Management in Indian Banking System and also to examine the results of curate and preventive management strategies.

REVIEW OF LITERATURE

Some of the previous researches undertaken has been reviewed in this section in order to have some deep insight about the issue taken for the research. The researches undertaken have been arranged in a reverse chronological order for the easy understanding. **Upadhyay (2019)** assessed the impact of credit risk on the profitability of HDFC Bank and SBI during the period 2009-2018. Multiple regression analysis was employed to meet the research objective, taking return on capital as the dependent variable and capital adequacy ratio, loan to deposit ratio, NPA, cost per loan ratio, provision coverage ratio, leverage ratio, problem asset ratio, and loan asset ratio as the independent variables. Atman's Z score was employed to assess financial health. HDFC's Z score was higher than SBI's score throughout the study period. A significant relationship was found between credit risk and profitability in case of SBI.

In the case of HDFC, the statistical model was not found significant. **Gaur (2019)** performed a comparative study to examine the trends of NPA in priority and non-priority sectors of public and private banks of India, giving special focus on the priority sector. During the period of study (2012-2017), it was found that there exists a significant difference in the NPA of the priority sector between public banks and private banks. NPA of the priority sector in private banks grew at a higher rate than public banks. Also, NPA in the priority sector was higher than the average NPA level.

Bawa (2018) assessed the effect of some financial ratios of banks on their NPAs. 31 financial ratios were taken in the study, some of them being CD ratio, NNPA to advances, owned capital to total asset, ROA, etc. Each variable was classified into six categories - liquidity, operating capability, profitability, solvency, business development capacity, and capital adequacy. GMM model was employed to meet the objective. A significant positive relationship was found between asset growth, total liability by total asset, lagged NPAs, and NPA. A negative relationship existed between ROA, intermediation cost ratio and NPA. **Shukla (2018)** conducted a study which focused on determining the cost of capital required by Indian banks to follow Basel-III norms specified in terms of Common Equity Tier (CET) -1 ratio, Tier-1 and total capital ratio. The data required for the analysis was extracted from the RBI database, periodicals and financial statements of various banks published from time to time. Risk Weighted Assets (RWA), CET-1, Additional Tier (AT) -1, Tier-2 Capital and Group of State Bank of India, 21 Public Sector Banks as well as 19 Private Sector Banks for year 2016 were considered for the study. Present value approach has been used in this analysis to give better estimates for the implementation of the Basel-III agreement and the comparison of additional costs associated with future benefits. The result of the analysis estimated that the implementation of the Basel-III agreement for Indian banks would require additional capital of 5.56 trillion 19 by 2019. The present value of the said essential capital is 4.78 trillion which is sufficient in relation to the Indian economy.

Bhaarathi (2018) performed a study to determine the factors affecting the NPA in public sector banks, private sector banks and foreign banks of India. The variables (determinants) taken for the study were – size of the bank, per capita income, inflation rate, interest rate, and credit diversification. Hausman test was employed to meet this objective. The study revealed that determinants of NPA differ with respect to ownership type. Factors like interest rate affect NPAs in public sector banks while the inflation rate and per capita income affect NPAs in private sector banks. No variable was found significant in the case of foreign banks. **Dey (2018)** conducted the research to analysis of the causal relationship between NPA and its determinants in Yes Bank threw light on the recovery mechanism of NPAs in India. The objective of the study was to identify various recovery channels and evaluate their effectiveness from 2003-04 to 2016-17. Three recovery wings namely Lok Adalat, Debt Recovery Tribunal (DRTs), and Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFASEI) of 2002 were reviewed. The study concluded that there is a significant difference between the performances of the three channels. Recovery through DRTs is highest and the most stable one as compared to recovery through Lok Adalat and SARFASEI. Also, it was found that throughout the study period, the rate of NPAs was higher than the amount recovered, which signified that recovery mechanism is not up to the mark in India. The researcher suggested the need for an adequate pre-sanctioning appraisal system and post-disbursement supervision system.

OBJECTIVES OF THE STUDY

1. To identify the consequence of NPA issues in Public and Private Sector banks in India.
2. To scrutinize the sector wise NPA involved in public and private sectors banks.
3. To figure out the Willful Defaulters and their share in total NPAs of Private and Public Sectorbanks.
4. To evaluate the various bad-debt recovery policies and preventive strategies implemented bybanking sector.
5. To suggest the most effective debt recovery strategy to reduce the NPAs.

RESEARCH METHODOLOGY

The present study is analytical in nature. The study is based on the secondary data and the data are collected for the period from 2005 to 2013. The required data were collected from the official websites of selected banks, research papers and official website of RBI. The secondary data so collected were further classified and tabulated as per the requirement of the study. Simple statistical tools have been applied to analyze the data and to test the effectiveness of debt recoverymanagement strategies.

SCOPE OF THE STUDY

1. Though the problem of NPA is the common to all banks and financial institutions, it is practically quite difficult to consider all banks into the study. Hence only few banks have been considered for this study.
2. The banking sector had introduced many debt recovery management strategies to reduce non-performing assets, some of them have become obsolete and not used by the banking sector at present. Hence those strategies are not considered in determining most effective

strategy among the given strategies.

TRENDS OF NON-PERFORMING ASSETS

Banking Sector plays a vital role in the development of the economy of any nation. But at present, it has been viewed that this is one among the sector which is under deep stress. The most calamitous problem facing commercial banks all over the world in recent time is spiraling non- performing assets which are badly affecting their viability and solvency and thus posing challenge to their ultimate survival (Shrivastav & Divya Nigam 2013). Non-Performing Assets is one among the major problem of Indian Banking Sector and therefore this issue has been selected for analysis in this paper. The rising NPAs in recent period can be attributed to the effects of the global recession coupled with internal factors like the slowdown in the domestic economy which had adversely affected the performance of corporate as well as small and medium enterprises leading to a negative impact on credit quality. To overcome this problem, the banking sector has not only initiated various measures but also introduced certain debt recovery and preventive management strategies to reduce the NPAs. The analysis of the effects of these strategies is the basic objectiveof this paper.

The RBI introduced health code system for commercial banks in 1985-86 and under this RBI advised the banks to recognize income only on realization basis instead of accrual basis of accounting system. By introducing of this code, RBI intended to help the banks to strengthen their financial health. But unfortunately, this system was not transparent and has created a uniform yardstick for measurement of the problem. After recognizing this issue, the RBI has introduced prudential regulations on the basis of Narshimham Committee recommendation with certain modification in a phased manner over a 3 year period beginning 1990 to 1993.

In order to move towards international best practices and impart greater transparency, it was decided by the RBI to introduce classification of loans as nonperforming when interest and/or instalments of principal remain overdue for a period of more than 90 days from the year ending March 31, 2004 (Shrivastav & Divya Nigam 2013). But as far as agricultural loan is concerned if the instalment of principal or interest thereon remains overdue for two crop seasons in case of short duration crops and one crop season in case of long duration crops are considered as NPAs. The NPAs can be classified as Substandard, Doubtful and Loss Assets. The loans or advances which have remained NPA for a period less than or equal to 12 months are known as Substandard Assets on which provision is made at 20%. The loan or advance which has remained in the category for a period of more than 12 months are Doubtful assets on which provision is made at 30% if it is NPA for a period of 1 to 3 years and at 50% if it is

NPA for a period more than 3 years. Any loan or advance is considered as loss asset when it has been identified by the bank or internal or external auditors or by the RBI inspection. In such case the provision is 100%. The bank has introduced many strategies to reduce and control such NPAs in Indian Banking System. This research work is an attempt to determine the impact of those strategies on NPA and also to know the strategies which are more effective to reduce the NPAs so that steps can be taken to implement those effective strategies in future to improvise the Banking sector.

Table 01 : Gross and Net NPAs of Scheduled Commercial Banks - Bank Group-Wise

(Amount in ₹ Crore)

Year (end-March)	Advances		Non-Performing Assets (NPAs)					
			Gross			Net		
	Gross	Net	Amount	As Percentageof Gross Advances	As Percentageof Total Assets	Amount	As Percentageof Net Advances	As Percentageof Total Assets
1	2	3	4	5	6	7	8	9
Scheduled Commercial Banks								
2008-09	3037586	2999924	68328	2.2	1.3	31564	1.1	0.6
2009-10	3545000	3497054	84698	2.4	1.4	38723	1.1	0.6
2010-11	4357548	4298704	97973	2.2	1.4	41799	1	0.6
2011-12	5158878	5073559	142903	2.8	1.7	65205	1.3	0.8
2012-13	5988277	5879773	194053	3.2	2	98693	1.7	1
2013-14	6875748	6735213	263362	3.8	2.4	142421	2.1	1.3
2014-15	7559760	7388160	323335	4.3	2.7	175841	2.4	1.5
2015-16	8173121	7896467	611947	7.5	4.7	349814	4.4	2.7
2016-17	8492565	8116109	791791	9.3	5.6	433121	5.3	3.1
2017-18	9266210	8745997	1039679	11.2	6.8	520838	6	3.4
2018-19	10294463	9676183	936474	9.1	5.6	355068	3.7	2.1
2019-20	10918918	10301914	899803	8.2	5	289531	2.8	1.6
Public Sector Banks								
2008-09	2282825	2259212	44957	2	1.2	21155	0.9	0.6
2009-10	2733458	2701300	59926	2.2	1.3	29375	1.1	0.7
2010-11	3346450	3305632	74664	2.2	1.4	36055	1.1	0.7
2011-12	3942732	3877308	117839	3	2	59391	1.5	1
2012-13	4560169	4472845	165006	3.6	2.4	90037	2	1.3
2013-14	5215920	5101137	227264	4.4	2.9	130394	2.6	1.6
2014-15	5615793	5476250	278468	5	3.2	159951	2.9	1.8
2015-16	5823907	5593577	539956	9.3	5.9	320376	5.7	3.5
2016-17	5874849	5557232	684732	11.7	7	383089	6.9	3.9
2017-18	6141698	5697350	895601	14.6	8.9	454473	8	4.5
2018-19	6382461	5892667	739541	11.6	7.3	285122	4.8	2.8

2019-20	6615112	6158112	678317	10.3	6.3	230918	3.7	2.1
Private Sector Banks								
2008-09	130334	128504	3072	2.4	1.3	1159	0.9	0.5
2009-10	156392	154136	3622	2.3	1.3	1137	0.7	0.4
2010-11	187296	184647	3600	1.9	1.2	900	0.5	0.3
2011-12	232918	230079	4200	1.8	1.1	1300	0.6	0.3
2012-13	273120	269937	5210	1.9	1.2	2000	0.7	0.4
New Generation Private Sector Banks *								
2008-09	454713	446999	13854	3	1.7	6252	1.4	0.8
2009-10	487713	478358	14017	2.9	1.6	5234	1.1	0.6
2010-11	624484	612886	14500	2.3	1.3	3400	0.6	0.3
2011-12	748500	736300	14500	1.9	1.1	3000	0.4	0.2
2012-13	886023	873252	15800	1.8	1	3900	0.4	0.3
2013-14	1360253	1342935	24542	1.8	1.1	8862	0.7	0.4
2014-15	1607329	1584312	34106	2.1	1.3	14128	0.9	0.5
2015-16	1972608	1939339	56186	2.8	1.8	26677	1.4	0.8
2016-17	2266721	2219475	93209	4.1	2.6	47780	2.2	1.3
2017-18	2725891	2662753	129335	4.7	3	64380	2.4	1.5
2018-19	3442347	3327328	183604	5.3	3.5	67309	2	1.3
2019-20	3776231	3625154	209568	5.5	3.6	55746	1.5	1
Foreign Banks In India								
2008-09	169713	165385	6445	3.8	1.4	2997	1.8	0.7
2009-10	167437	163260	7134	4.3	1.6	2977	1.8	0.7
2010-11	199318	195539	5069	2.5	1	1312	0.7	0.3
2011-12	234727	229849	6297	2.7	1.1	1412	0.6	0.2
2012-13	268966	263680	7977	3	1.3	2663	1	0.4
2013-14	299575	291142	11565	3.9	1.5	3160	1.1	0.4
2014-15	336638	327599	10761	3.2	1.4	1762	0.5	0.2
2015-16	376607	363551	15805	4.2	1.9	2762	0.8	0.3
2016-17	343822	332335	13629	4	1.7	2137	0.6	0.3
2017-18	363305	351016	13849	3.8	1.6	1548	0.4	0.2
2018-19	406881	396726	12242	3	1.2	2051	0.5	0.2
2019-20	436066	428072	10208	2.3	0.8	2084	0.5	0.2
Small Finance Banks								
2018-19	62775	59461	1087	1.7	1.3	586	1	0.7
2019-20	91509	90576	1709	1.9	1.3	784	0.9	0.6

Notes : 1. Data for 2019-20 are provisional.

2. * : For Private Sector Banks, data from 2008-09 till 2012-13 pertain to only new private sector banks. From2013-14 onwards data pertains to all Private Sector Banks i.e. inclusive of both old and new private sector banks.

3. Data on Small Finance Banks pertain to 7 entities in 2018-19 and 10 entities in 2019-20.

Source : Supervisory returns and Report on Trend and Progress of Banking in India.

Table 1 shows the Gross and Net Non-Performing Assets percentages from 2008 to 2020 in Indian banking sector namely Commercial Banks, Private Banks and Foreign Banks, Small Finance Banks.

Table - 2 - NPAs in. Top 10 Public Sector in India					
S.No	**Bank Names**	**5 Yr Avg Gross NPA**	**5 Yr Avg Net NPA**	**Gross NPAs (2020 - 2021)**	**Net NPAs (2020 - 2021)**
1	IDBI Bank	26.22	9.23	27.53	1.97
2	Indian Overseas Bank	19.22	9.83	11.69	3.58
3	Central Bank of India	18.81	8.49	16.55	5.77
4	UCO Bank	18.62	8.23	9.59	3.94
5	Punjab National Bank	14.95	7.42	14.12	5.73
6	Bank of India	14.84	5.6	13.77	3.35
7	Bank of Maharashtra	14.57	7.15	7.23	2.48
8	Union Bank of India	13.95	6.39	13.74	4.62
9	Punjab & Sind Bank	12.28	6.75	13.76	4.04
10	Bank of Baroda	10.12	3.95	8.87	3.09

Table: 2 Show the status of GNPA and NNPA ratio on the 10 Public sector banks in the year of 2021. In this table Central Bank of India and Punjab National Bank have the Maximum value of GNPA and NNPA in the respective year.

Table - 3 - NPAs in. Top 10 Private Sector in India					
S.No	**Bank Names**	**5 Yr Avg Gross NPA**	**5 Yr Avg Net NPA**	**Gross NPAs (2020 - 2021)**	**Net NPAs (2020 - 2021)**
1	HDFC Bank	1.26	0.38	1.32	0.4
2	IndusInd Bank	1.86	0.74	2.67	0.69
3	DCB Bank	2.35	1.12	4.09	2.29
4	RBL Bank	2.39	1.26	4.34	2.12
5	AU Small Finance Bank	2.5	1.36	4.3	2.2
6	Kotak Mahindra Bank	2.5	0.98	3.25	1.21
7	Equitas Small Finance Bank	2.89	1.58	3.59	1.52
8	Bandhan Bank	2.9	1.12	6.81	3.51
9	The Federal Bank	2.9	1.39	3.41	1.19
10	IDFC First Bank	3.09	1.39	4.15	1.86

Table: 3 Show the status of GNPA and NNPA ratio on the 10 Private sector banks in the year of 2021. In this table DCB Bank and RBL Bank have the Maximum value of GNPA and NNPA in the respective year.

Table : 4 Frauds Amount in Banks

S No.	Banks	No. of frauds	Amount (Cr)
1	ICICI	6,811	5,033.81
2	SBI	6,793	23,734.74
3	HDFC	2,497	1200.79
4	Bank of Baroda	2,160	12,962.96
5	Punjab National Bank	2,047	28,700.74
6	Axis Bank	1,944	5,301.69
7	Bank of India	1,872	12,358.20
8	Syndicate Bank	1,783	5,830.85
9	Central Bank of India	1,613	9,041.98
10	IDBI	1,264	5,978.96
11	Standard Chartered Bank	1,263	1,221.41
12	Canara Bank	1,254	5,553.38
13	Union Bank of India	1,244	11,830.74
14	Kotak Mahindra Bank	1,213	430.46
15	Indian Overseas Bank	1,115	12,644.70
16	Oriental Bank of Commerce	1,040	5,598.23
17	United Bank of India	944	3,052.34
18	State Bank of Mysore	395	742.31
19	State Bank of Patiala	386	1,178.77
20	Punjab and Sind Bank	276	1,154.89
21	UCO bank	1,081	7,104.77
22	Tamilnad Mercantile Bank	261	493.92
23	Lakshmi Vilas Bank	259	862.64
24	American Express Banking Corporation	1,862	86.21
25	Citi Bank	1,764	578.09
26	Hongkong and Shanghai Banking Corporation (HSBC)	1,173	312.1
27	The Royal Bank of Scotland Plc	216	12.69

Source:https://www.livemint.com/industry/banking/bank-frauds-worth-rs-2-05-trillion-happened-in-last-11-years-reveals -rbi-data-1560335835680.html

(i) The above table highlights that ICICI Bank and SBI have registered the highest number offrauds.

(ii) The table also highlights that Punjab National Bank and SBI have registered the highestamount of frauds.

(iii) SBI performed badly based on control over the number as well as amount of frauds.

(iv) The scale of frauds in the case of Punjab National Bank is a matter of concern

From Table 5 and Table 6 it can be clearly observed that it is much easier to defraud public sector banks than private sector bank in India and the figures speak volumes about the way the latter are run.

Table: 5 Showing the Amount of Frauds in Private Sector Banks

S.No	Private Sector Banks	Amount (in crores)
1	ICICI	5,033.81
2	HDFC	1,200.79
3	Axis Bank	5,301.69
4	IDBI	5,978.96
5	Standard Chartered Bank	1,221.41
6	Kotak Mahindra Bank	430.46
7	Tamilnad Mercantile Bank	493.92
8	Lakshmi Vilas Bank	862.64
Total		**20,523.68**

Source: https://www.livemint.com/industry/banking/bank-frauds-worth-rs-2-05-trillion-happened-in-last-11-years-reveals-rbi-data-1560335835680.html

Table: 6 Showing the Amount of Frauds in Public Sector Banks

S.No	Public Sector Banks	Amount (in crores)
1	State Bank of India (SBI)	23,734.74
2	Bank of Baroda	12,962.96
3	Punjab National Bank (PNB)	28,700.74
4	Bank of India	12,358.20
5	Syndicate Bank	5,830.85
6	Central Bank of India	9,041.98
7	Canara Bank	5,553.38
8	Union Bank of India	11,830.74
9	Indian Overseas Bank	12,644.70
10	Oriental Bank of Commerce	5,598.23
11	United Bank of India	3,052.34
12	State Bank of Mysore	742.31
13	State Bank of Patiala	1,178.77
14	Punjab and Sind Bank	1,154.89
15	UCO Bank	7,104.77
Total		**1,41,489.6**

Source: https://www.livemint.com/industry/banking/bank-frauds-worth-rs-2-05-trillion-happened-in-last-11-years-reveals-rbi-data-1560335835680.html

Strategies to Reduce NPAs

The strategies to reduce NPAs can be broadly classified into two i.e. Debt recovery Management Strategies and Preventive Management Strategies. This paper basically deals with the analysis of Debt recovery Management Strategies. Such Management Strategies includes those steps and measures which are taken by the RBI, Government and banking sector, after the NPAs take place. The strategies are quite helpful to recover that amount of money which is already blocked up in the name of NPA. The various management strategies under this category are explained below:

1. **Lok Adalats**: It is a system of alternative dispute resolution developed in India. The idea of introducing Lok Adalats was developed by Justice P.N. Bhagwati, a former Chief Justice of India. LokAdalat is a non-adversarial system, whereby mock courts (called LokAdalats) are held by the State Authority, District Authority, Supreme Court Legal Services Committee, High Court Legal Services Committee, or Taluk Legal Services Committee. Cases involving an amount upto Rs.5 lakh may be referred to LokAdalats. In August 2004, the Reserve Bank of India has raised this limit to Rs 20 lakh from the earlier limit of Rs 5 lakh. LokAdalats have no judicial powers. It is a mutual forum for the bank and the borrower to meet and arrive at a mutual settlement. Public sector banks recovered as much as Rs 40.38 crore as on September 2001 through such LokAdalats. "According to a General Manager of PNB, Lokadalat is an effective strategy to recover dues from borrowers and it has been pretty successful in Delhi and states such as Bihar among other states". Over 56000 cases were settled involving more than Rs. 265 crores on 14.02.2015 through National Lok Adalat for bank recovery. The Banks and financial institutions and others who participated were able to arrive at final settlements of more than Rs. 265 crores
2. **Debt Recovery Tribunal:** Debts Recovery Tribunal has been established in the year 1993 by the Central Government of India. The Government of India has established 33 Debts Recovery Tribunals, which are located across the country. Some cities have more than one Debts Recovery Tribunals. The main objective of DRT is to sue the defaulted borrowers after receiving the applications from banks and financial institutions to claim the amount of loan overdue, which have not yet been paid by the borrowers. These DRTs can consider the matters relating to recovery of NPAs of 10 lacs and above. Initially the Debts Debt Recovery Tribunals were quite effective and helped the banks and financial institutions in recovering the large part of the nonperforming assets. But the growth of OATs was hold back later on as the OATs could not show their powerful efforts on

making recoveries from large and powerful borrowers (specially the corporate borrowers). Even the borrowers, whose cases were dealt by the court, alleged that there would be a huge loss if theirsettlement would be done through these OATs.

3. **SARFAESI Act:** The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act was enacted in the year 2002. The purpose of this act was to achieve 3 dimensions benefits i.e. to regulate the securitization process, to reconstruct the financial assets and enforcement of security interest created in respect of financial assets. Such Act enables the secured creditors to recover their debt without the interference of the court or tribunal. If a borrower fails to repay the amount of loan within 60 days of notice from the date of notice by the secured creditor, the secured creditor is bestowed with certain powers under this act. The powers are to take the possession of the secured assets of the borrower, to take-over the management of the borrower's business including the right to transfer by way of lease, assignment or sale for realizing the secured assets, to appoint any person to manage the possessed secured assets, and to recover money from other secured creditor(s) who has possessed the asset from the borrower and from whom money is due to the borrower. SARFAESI Act has proved its significance in the recovery process since from the year 2003-04 and the percentage of recovery is quite high in the year 2007-08 with a recovery percentage of about 61 %.
4. **Asset Reconstruction Company:** Asset Reconstruction Company is globally known as Asset Management Company. In India, the need of Asset Reconstruction Company was first raised by Narsimham 1 Report. The Narsimham Report 1 had suggested to set up a Central Asset Reconstruction Fund with money financed by Central Government, which would enable the banks to clean up the NPAs from their balance sheets. "Asset Reconstruction Company (Securitization Company/ Reconstruction Company) is defined as a company registered under Section 3 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SRFAESI) Act, 2002. It is regulated by Reserve Bank of India as an on Banking Financial Company (u/s 451 (f) (iii) of RBI Act, 1934)". ARC has been set up to provide a focused approachto Non-Performing Loans resolution. There are various functions performed by an ARC like acquisition of financial assets, rescheduling of debts, change or take over the management, enforcement of security interest and settlement of dues payable by the borrower. The functioning of an ARC is just like the mutual fund. All the acquired assets are transferred by the ARC to one or more trusts at the price at which the financial assets

were acquired from the banks and financial institutions. Security Receipts are issued by the trust to qualified institutional buyers. The trusteeship of the trusts. shall vest with ARC. ARC gets only the management fee from the trusts. Any profit i.e., when realized price is more than acquired price will be distributed among the beneficiaries of the trusts and ARC. Any loss i.e., when realized price is less than the acquired price will be bore by the beneficiaries of the trusts only. Asset Reconstruction Company India. Limited (ARCIL) is India's first and largest reconstruction company. It is sponsored by prominent banks and financial institutions like SBI, IOB, ICICI and PNB. ARCIL has its registered office at Mumbai, Maharashtra. It has acquired portfolio from more than 65 banks and financial institutions since inception. ARCIL also forayed into reconstruction of retail assets through its division 'ARMS' which is currently spread across 17 locations in India.

5. **Corporate Debt Restructuring:** It is a process where the debt of a company to the bank is to be restructured if the company is undergoing through any bonafide financial constraint or hardship. “CDR is a mandatory mechanism based on debtor-creditor agreement and inter-creditor agreement. Restructuring helps in aligning repayment obligations for bankers with the cash flow projections as reassessed at the time of restructuring." (Balasubramaniam, 2012). The company, who is in the position of bankruptcy, can negotiate with the bank and with its creditors to restructure or reduce the loan amount so that the chances of bankruptcy could be avoided. RBI also mentioned certain guidelines related to Capital Debt Restructuring (COR) which were implemented on 23rd August, 2001. These guidelines have been further revised and implemented on 5th February, 2003. Such process comes into operation for the purpose of transparent restructuring of corporate debt of viable concerns that are affected by those factors which are beyond their control. The restructuring program should be such that it could minimize the losses of the creditors and other stakeholders. CDR System has 3 tier structures:
    a. CDR Standing forum & Its Core Group: The forum acts as a representative general body for all members i.e. financial institutions and banks and lays down various policies and guidelines for proper monitoring of debt restructuring. On the other hand its Core group helps in holding various meetings and taking decisions which are related to the policies.
    b. CDR Empowered Group: It is involved in deciding the individual cases of CDR. The preliminary reports submitted by CDR Cell, of all the cases of requests of

restructuring by interested corporals are taken into consideration by this empowered group. After that, if the restructuring of those companies is feasible and viable and are in accordance with the guidelines given by the standing forum then, the group may direct the CDR Cell to start the process of restructuring

c. CDR Cell: This cell assists the Standing forum and Empowered Group to make viable decisions related to restructuring. The cell scrutinizes all the proposals of restructuring and the applications to the Empowered group, if the empowered group is satisfied then it

6. **One time Settlement Scheme:** If the borrower could not repay the amount of loan that he had taken earlier and after the expiry of the specific period (90 days) the bank considered that loan as NPA, in that case the bank, after verifying the relevant circumstances, may provide an opportunity to the borrower to repay the whole amount of loan due as directed by the bank within a specified period. One time settlement scheme is applicable when the amount involved is less than 10 crores. The revised guidelines related to one time settlement covers all doubtful and loss assets of SME sector and sub-standard assets of sectors other than SME. These guidelines also take into consideration to those cases on which the banks have initiated action under SARFAESI Act, DRTs &BIFR. But the cases of fraud, misconduct and Willful defaulters do not come under the purview of such guidelines. The settlement amount is to be paid in one lump sum. If a borrower could not pay the amount in lumpsum then he could pay the 25% of that amount within 30 days of intimation of sanction and the remaining amount together with an interest of prime lending rate, within the period of 100 days from the date of sanctioned.
7. **Recovery against Willful Defaulters**: After a review of pendency in regard to NPAs by the Hon'ble Finance Minister, RBI had advised the public sector banks to examine all cases of willful default of Rs 1 crore and above and file suits in may approved such applications and such cases, and file criminal cases and intimate the cell to start the process- regard to willful defaults. "RBI need to take necessary actions against defaulters like, publishing names of defaulters in Newspapers, broad-casting media, which is helpful to other banks and financial institutions". (Ramaprasad, 2012). Willful Defaulters are one of the reason due to which these NPAs are increasing year by year. Generally willful defaulters are those persons who are not repaying the amount of loan even if they have the capability to pay for that. Moreover, the Reserve Bank of India

has distinctly defined the Willful Default as: "Willful default broadly covered the following:

a) Deliberate non-payment of the dues despite adequate cash flow and good net worth;

b) Siphoning off of funds to the detriment of the defaulting unit;

c) Assets financed either not been purchased or been sold and proceeds have been mis-utilised;

d) Misrepresentation *I* falsification of records;

e) Disposal *I* removal of securities without bank's knowledge;

f) Fraudulent transactions by the borrower."

Table:7 Top 25 Wilfil Defaulters in India in 2022

S.No	Name of the Company	Amount (Crores)
1	Gitanjali Gem Ltd.,	7110
2	Era Infra Engineering Ltd	5879
3	Concast Steel and Power Ltd.,	4107
4	REI Agro Ltd.,	3984
5	ABG Shipyard Ltd.,	3708
6	Frost International Ltd.,	3108
7	Winsome Diamond and Jewellery Ltd.,	2671
8	Rotomac Global Private Ltd.,	2481
9	Coastal Projectes Ltd.,	2311
10	Kudos Chemie Ltd.,	2082
11	Zoom Developers Pvt Ltd.,	1818
12	Best Foods Ltd.,	1653
13	Forever Precious Jewellery and Diamond Ltd.,	1639
14	Deccan Chronicle Holding Ltd.,	1594
15	Siddhi Vinayak Industries Ltd.,	1560
16	SVOGL Oil Gas and Energy Ltd.,	1486
17	Surya Vinayak Industries Ltd.,	1481
18	Gili India Ltd.,	1447
19	EMC Ltd.,	1342
20	Rohit Ferro-Tech Ltd.,	1333
21	Hanung Toys and Textiles Ltd.,	1306
22	Amira Pune Foods Pvt Ltd.,	1293
23	Unity Infraprojects Ltd.,	1230
24	S Kumars Nationwide Ltd.,	1177
25	Sterling Biotech Ltd.,	1158

Table 7 depicts the names of the willful defaulters in India in 2022, who have dues of more than 1000 crores. The Gitanjali Gem Ltd., is on the top of the list with a loan amount due of Rs. 7,110 Crores. The NPAs which is caused due to willful defaulters has a major share in the total amount of NPAs in banking sector. Directors of Banks are required to review NPA amount blocked in this area. Many economists have opinioned that if the recovery could be made from this area then it could provide a good opportunity for the development of our economy. Even the priority sector and the needy people can get adequate financial assistance for their self-employment and future growth of nation.

Table - 8 - Measurement of the Effectiveness of Debt Recovery Management Strategy

Particulares	LokAdalats	Debt Recovery Tribunal	SARFAESI Act
2014-15			
No. of cases referred	2,68,090	4,744	39,208
Amount Involved	801	14,317	13,224
Amount Recovered	113	2,688	2,391
Percentage of Recovery (%)	**14.10%**	**18.77%**	**18.08%**
2015-16			
No. of cases referred	1,60,368	4,028	60,178
Amount Involved	758	9,1 56	9,058
Amount Recovered	106	3,463	3,749
Percentage of Recovery (%)	**13.98%**	**37.82%**	**41.38%**
2016-17			
No. of cases referred	1,86,535	3,728	83,942
Amount Involved	2,142	5,819	7,263
Amount Recovered	176	3,020	4,429
Percentage of Recovery (%)	**8.21%**	**51.89%**	**60.98%**
2017-18			
No. of cases referred	5,48,308	2,004	61 ,760
Amount Involved	4,023	4,1 30	12,067
Amount Recovered	96	3,348	3,982
Percentage of Recovery (%)	**2.38%**	**81 .06%**	**32.99%**
2018-19			
No. of cases referred	7,78,833	6,019	78,366
Amount Involved	7,235	9,797	14,249
Amount Recovered	112	3,133	4,269
Percentage of Recovery (%)	**1.54%**	**31 .97%**	**29.95%**
2019-20			
No. of cases referred	6, 16, 018	12,872	1,18,642
Amount Involved	5,254	14,092	30,604
Amount Recovered	151	3,930	11 ,561
Percentage of Recovery (%)	**2.87%**	**27.88%**	**37.77%**
2020-21			
No. of cases referred	8,40,691	13,408	1,90,537
Amount Involved	66	310	681
Amount Recovered	4	44	185

Percentage of Recovery (%)	6.06%	14.19%	27.16%
2021 - 22			
No. of cases referred	16,36,957	28,258	1,94,707
Amount Involved	232	553	946
Amount Recovered	14	53	244
Percentage of Recovery (%)	**6.03%**	**9.58%**	**25.79%**
Source: Website of Reserve Bank of India			

Table 8 shows the Measurement of the Effectiveness of Debt recovery Management Strategy. As per the objective, it is needed to determine the most effective debt recovery strategy for recovering the NPAs involved in banking sector. For such testing it is assumed that SARFAESI Act is the most effective tool for recovering the NPAs and again one has to compare the recoveries of other debt recovery strategies with the recovery of SARFAESI Act strategy. The study reveals that during the eight years study period, for about six years the SARFAESI Act was more effective and in the remaining two years the DRTs was more effective in recovering the NPAs. It is clear that SARFAESI Act can be considered as the most effective strategy among the debt recovery strategy.

CONCLUSION

Though the problem of increasing NPAs has various reasons viz. willful defaulters, business failure, mis-utilization of loans by user, failure of poverty alleviation programmes, faulty lending policy, lending compulsory to priority sector by banks, faulty credit management like defective credit recovery system, unsystematic and unscientific repayment schedule, time gap between sanctions and disbursement of loan, untimely communication to the borrowers regarding their due date, lack of sponge legal mechanism, politics at local levels and waive-off policy of loan by government, it is important to take steps to control the NPAs. It has been viewed by the economist, government authorities and even bankers that controlling of such increasing NPAs is quite difficult. The problem of NPA in Public Sector Banks is bigger when compared to private sector banks since more volume of business and larger operations of banking activities are undertaken by the public sector banks. Apart from that inefficiency in management of credit and non-appraisal of borrowers' accounts are creating more problems in banking sector. The various debt recovery management strategies like Lok Adalats, Debt Recovery Tribunal and One time settlement schemes have been implemented to make recoveries of NPAs and even these efforts too have delivered only minimum success. But it is observed that only the SARFAESI Act has played a significant role in recovering the NPAs. Hence, it will be more worthwhile to emphasize the SARFAESI Act methodology with some more effectiveness. This may will deliver the fruitful results in the

NPAs recovering activity in the near future. Apart from the debt recovery management strategy, steps should also be taken to use the preventive management strategy to have a proper control of NPAs in future to come.

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ROLE OF MICRO FINANCE IN PROMOTING FINANCIAL INCLUSION IN INDIA

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ABSTRACT:

Finance is extremely fundamental for each monetary movement. Without sufficient finance no action can be embraced. Finance is additionally needed by each segment of the general public. Be that as it may, from the start of the progress, just the financial requirements of the upper segment of the general public were cooked. Admittance to finance by poor people and more fragile gatherings is undeniably challenging. This is because of the different reasons like absence of banking offices for this segment, ignorance about the plans accessible for them, absence of a customary or considerable pay and so forth additionally, banks likewise give more significance to meet their financial targets. So they centeron bigger records. It isn't beneficial for banks to give little credits and make a benefit. Henceforth, the requirement for financial inclusion is felt by the Government of India, the approach producers and Reserve Bank of India. Recent developments in Micro Finance Industry are being playing a vital role to promote the Financial Inclusion.

Key Words: Micro Finance, Financial Inclusion, Development, Economy.

1. INTRODUCTION:

Microfinance empowers poor people and prohibited segment of individuals in the general public who don't have admittance to formal banking to assemble resources, variety vocation alternatives and increment pay, and diminish their weakness to monetary pressure. Microfinance covers an expansive scope of monetary administrations including advances, stores and instalment administrations and protection to poor people and low-pay families and their micro endeavours. Microfinance establishments have shown a huge commitment towards the poor in rustic, semi metropolitan or metropolitan regions for empowering them to raise their pay level and expectations for everyday comforts in different nations.

2. OBJECTIVES OF THE STUDY

The main objectives of the study are following:

1. To study the importance of Micro Finance and its impact on effective financial services.
2. To analyse the role and responsibilities of Micro Finance in rural development.

3. RESEARCH DESIGN

The study is entirely based on the secondary data. These data are collected through published sources like text books, journals, magazines and through the blogs and articles published in websites.

4. LIMITATIONS OF THE STUDY

- The study is limited to secondary data.

Time constraints while collecting the secondary data.

NEED FOR MICRO FINANCE INSTITUTIONS IN INDIA:

Micro finance bank is a foundation that expands little credit or micro finance, to candidate who ordinarily has a place with the most minimal group of society. Advances are stretched out to borrower to permit them to start a business, fix their homes and work on the overall day to day environment of their families and the local area. Microfinance is considered as a device for financial turn of events, and can be unmistakably separated from gifts.

With a tremendous section of the world's oppressed, India is probably going to have an enormous conceivable interest for microfinance. Hence, it's a good idea to think about the changing substance of microfinance for provincial advancement in India. Microfinance alludes offering extraordinarily little advances to extremely helpless families fully intent on connecting with them into useful exercises.

With regards to provincial turn of events, with the development of the credit framework, credit stream to poor people and particularly to helpless ladies, stayed close to the ground. Accordingly, National Bank for Agriculture and Rural Development (NABARD) was set up with the target of outlining fitting strategy for country credit, arrangement of specialized help upheld liquidity backing to banks, oversight of rustic credit establishments and other improvement drives. After a period, it was capable that the current financial approaches, frameworks and systems, and store and advance items were potentially not very much coordinated to meet the moment needs of poor people. On the off chance that an individual notices an establishment to be disagreeable or heartless to them, they wonder whether or not to advance toward it. Hence a necessity has been capable for elective approaches, frameworks and strategies, reserve funds and credit items, other coordinating with administrations, and new conveyance components, which would satisfy the prerequisites of the least fortunate, particularly of the women individuals from such families.

This has offered starting to an expanding accentuation on Microfinance for working on the admittance to credit for poor people. A huge number of NGOs have begun their own micro finance programs trying to foster individuals in their particular regions. Micro credit has turned into a significant apparatus of improvement. The most current progression in this space is investment funds and credit groups or Self Help Groups (SHGs) as they are known in

India, just as an assortment of specific Micro Finance Institutions (MFIs). To help and energize the exercises of these groups, huge institutional designs have arisen. A significant part of such help in India has come from non-benefit NGOs. These associations initially started the idea of Micro Finance and keep on pursuing the conveyance of Micro Finance projects in India particularly for rustic turn of events.

TYPES OF MICROFINANCE

Microfinance includes the following products:

Micro loans – Microfinance loans are significant as these are provided to borrowers with no collateral. The end result of microloans should be to have its recipients outgrow smaller loans and be ready for traditional bank loans.

Micro savings – Micro savings accounts allow entrepreneurs operate savings accounts with no minimum balance. These accounts help users inculcate financial discipline and develop an interest in saving for the future.

Micro insurance – Micro insurance is a type of coverage provided to borrowers of microloans. These insurance plans have lower premiums than traditional insurance policies.

Microfinance Channels

Microfinance in India operates primarily through two channels:

- **SHG - Bank Linkage Programme (SBLP) -** This channel was initiated by NABARD in the year 1992. This model encourages financially backward women to come together to form groups of 10-15 members. They contribute their individual savings to the group at regular intervals. Loans are provided to members of the group from these contributions. SHGs are also offered bank loans at later stages, and these loans can be used for funding income generating activities.

This model has achieved a lot of success in the past and it has also gained a lot of popularity for contributing to the empowerment of women in the country. Once these self-sustaining groups reach stability, they function almost independently with minimal support from NABARD, SIDBI, and NGOs.

- **Microfinance Institutions (MFIs) -** These institutions have microfinance as their primary operation. These lend through the concept of Joint Liability Group (JLG), i.e., an informal group that consists of 5-10 members who seek loans either jointly or individually.

Role of Microfinance Institutions (MFIs)

Microfinance services are offered by the following sources:

- Formal institutions, i.e., cooperatives and rural banks
- Semiformal institutions, i.e., non-government organisations
- Informal sources, such as shopkeepers and small-scale lenders

Institutional microfinance encompasses the services provided by both formal and semiformal institutions.

A microfinance institution specialises in banking services for low-income individuals and groups. These institutions access financial resources from mainstream financial entities and provide support service to the poor. Microfinance institutions are hence, emerging as one of the most effective tools in reducing poverty in India.

While several MFIs are well-run with great historical records, others are operationally self-sufficient.

The different types of institutions offering microfinance in India are:

- Commercial banks
- Credit unions
- Non-governmental organisations (NGOs)
- Sectors of government banks
- Cooperatives

Microfinance institutions act as a supplement to the services offered by banks. Apart from offering micro credit, financial services such as insurance, savings, and remittance are provided. Non-financial services such as training, counselling, and supporting borrowers are offered in the most convenient manner as well.

GROSS LOAN PORTFOLIO AND GROWTH RATE OF MICRO FINANCE INDUSTRY IN INDIA

The overall microfinance industry's gross loan portfolio (GLP) surged by 11.9 per cent to Rs 2,59,377 crore as on March 31, 2021 from Rs 2,31,787 crore as on March 31, 2020, says a report. The growth was driven by an addition of 4 lakh borrowers during the pandemic-struck 12-month period ending March 2021, according to a report Micrometer, released by Microfinance Institutions Network (MFIN). MFIN is an industry association comprising 58 NBFC-MFIs and 39 associates including banks, small finance banks (SFBs) and NBFCs. As on March 31, 2021, the microfinance industry served 5.93 crore unique borrowers, through 10.83 crore loan accounts, the report said.

It said 13 banks hold the largest share of the portfolio in micro-credit with a total loan outstanding of Rs 1,13,271 crore, which is 43.67 per cent of total micro-credit universe. Non-banking financial companies-microfinance institutions (NBFC-MFIs) are the second largest provider of micro-credit with a loan amount outstanding of Rs 80,549 crore, accounting for 31.05 per cent to total industry portfolio, the report showed. Small finance banks (SFBs) have a total loan amount outstanding of Rs 41,170 crore with a total share of 15.87 per cent.

NBFCs account for another 8.36 per cent, and other MFIs account for 1.05 per cent of the total microfinance universe, it said. The report further showed that the gross loan portfolio of NBFC-MFIs increased by 11 per cent to Rs 81,475 crore as on March 31, 2021, compared to Rs 73,412 crore as on March 31, 2020. This GLP on NBFC-MFIs includes owned portfolio of Rs 68,894 crore and managed portfolio of Rs 12,581 crore. The association said its NBFC-MFI members disbursed Rs 57,891 crore of loans in fiscal 2020-21 through 1.70 crore accounts. Average loan amount disbursed per account during FY20-21 was Rs 35,726, an increase of around 20 per cent in comparison to last financial year. During FY2020-21, NBFC-MFIs received a total of Rs 40,797 crore in debt funding which is 9.2 per cent higher than FY2019-20. Total equity of the NBFC-MFIs grew by 15 per cent to Rs 18,663 crore as on March 31, 2021.

CONCLUSION

Micro-credit could indeed provide a lifeline for desperate borrowers, if it operated at a small scale and with subsidised interest rates. To some borrowers it could provide a crutch even at relatively high interest rates, saving them from the clutches of moneylenders. But given the huge increases in living costs and the reduced role of governments, especially with respect to healthcare and education, micro credit was never going to be able to stem the tide of poverty. Healthcare is perhaps the number one route to bankruptcy among the poor in many developing countries and education takes an ever increasing proportion of their income. Painting all the women in the world as heroic entrepreneurs doesn't actually make them so. They are heroic all right, given the struggle they lead against brutal poverty – but entrepreneurial ventures have always had a high mortality rate. And there aren't that many which can deliver the kind of returns one requires to be able to pay back interest rates in excess of 40%. Given that much of the loaned money is actually used for consumption, the chances of getting into debt are always high. Realising that poverty alleviation was an unsustainable and unachievable goal, the micro-credit industry shifted the goal posts."Financial inclusion" was the new aspiration, which in practice meant access to credit, insurance and other financial products. The term micro-credit became microfinance and poverty alleviation quietly moved out of the spotlight. The fact that most borrowers were using the loans for consumption rather than production was not taken as a failure to achieve the original goal either. Instead, this "consumption smoothing" was celebrated as another achievement.

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THE DIGITAL TRANSFORMATION IN CORPORATE GOVERNANCE

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ABSTRACT

Digital Transformation means different things to different people. Each organization's Digital Transformation will differ with respect to their individual challenges and because of this a variety of approaches and metrics have emerged and continue to evolve. Despite this, there appears to be five main areas where the transformation efforts should have the most impact. These areas are Customer experience, Operational agility, Culture and leadership, Workforce enablement, and Digital technology integration. This paper will touch on the areas in the process attempt to explain what a Digital Transformation is, what's a Digital Transformation role in corporate governance will be expressed.

KEYWORDS: Corporate governance, Digitalization, Regulatory framework and Challenges.

INTRODUCTION

In the twenty-first century, corporate governance has grown in importance and essential to the corporation. The global corporate governance systems underwent a significant shift as a result of the 1997 East Asian financial crisis, business scandals and failures, particularly the US Enron scandal in 2002, and company scandals and collapses worldwide. In order to prevent business consequences, the regulatory authorities have also worked to improve corporate regulations and a better structure. Numerous studies have shown that effective corporate governance procedures and long-term wealth generation, sustainability, and firm well-being are strongly correlated. The quick development of new business models and technological innovations has a big impact on how businesses operate and adds value to enterprises. The digital transformation may also encourage the organisational structure and processes in addition to pushing product innovation. By distributing information to shareholders and stakeholders more quickly and promoting greater participation, digitalization increases the company's potential for investment and international business ventures.

The board and the shareholders' relationships are improved via corporate governance. Furthermore, digitalization offers a forum for electronic decision-making and communication between corporations and their shareholders. According to several authors, cutting-edge technical advancements offer efficient corporate governance procedures. The boardroom's utilisation new technology has a positive effect on the business environment and strategic decision-making of the top leadership. The board must establish a procedure for handling opportunities and challenges as well as assessing the risks posed by technological progress. The board members must assimilate and incorporate it. The study looks into the effects of India's corporate governance practises' digital transformation. Hence, it is proposed that the businesses examine the advantages, restrictions, and challenges associated to the digitization of company law, listing requirements, and corporate governance.

OPERATIONAL DEFINITIONS

Digital transformation is a key component of an overall business transformation strategy, and while not the only factor, it’s critical to the success or failure of any transformation effort. The right technologies – coupled with people, processes, and operations – give organizations the ability to adapt quickly to disruption and/or opportunities; meet new and evolving customer needs; and drive future growth and innovation, often in unexpected ways.

Corporate governance is the system of rules, practices and processes by which a firm is directed and controlled. Corporate governance essentially involves balancing the interests of a company's many stakeholders, such as shareholders, management, customers, suppliers, financiers, government and the community.

LITRATURE REVIEW

Thomas Hess 2022 et.al, have expressed that Organizations are in need to systematically manage changes brought by digitalization to successfully exploit opportunities, and on the other hand identify and ward threats from competitors, new market entrants, and new industry developments. How can the management prepare for facing uncertainties in the digital era? How can the management equip and structure the organization to keep up with the increasing pace of innovation cycles? Current research is predominantly occupied by targeting specific aspects of the phenomenon of the Digital Transformation. This book section aims to provide a greater overview on the management of the Digital Transformation by reviewing relevant contemporary publications in step with actual practice to fill the lack of a holistic summary. Our focus is especially on the governance perspective.

Veeramani, S. 2019 et.al, have expressed that the level of digitalization of regulatory framework and listing regulations on corporate governance aspect is closely aligned and well balanced. Researchers suggest that the regulators, as well as companies, must review the benefits, constraints and challenges associated with digitalization of company law, listing requirements and corporate governance.

OBJECTIVES

1. To study how Digitalization has transformed Corporate Governance.
2. To express the Challenges to Digitalization and Corporate Governance.

METHODOLOGY

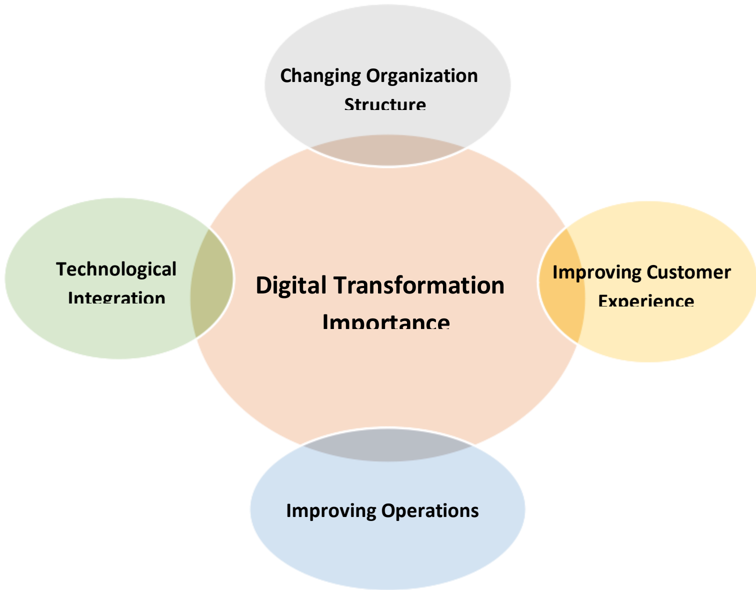
The secondary data serves as the base of the article. The data can be obtained via articles, newspapers, websites, and other sources.

DIGITAL TRANSFORMATION AND CORPORATE GOVERNANCE IN INDIA

The government has expanded the information technology sector to stimulate the economy since economic deregulation in 1991. Information technology takes on a new dimension as a result of Digital India 2015. The goal of Digital India is to use digital technology to modernize India. The goals of digitalization are to empower people and advance a knowledge-based economy. The programme also aims to advance universal digital literacy and build a digital infrastructure and communication system that is of the highest calibre. The governance of private sector businesses and the financial sector had undergone a considerable transformation as a result of the liberalisation changes. A new Companies Act was implemented in 2013, and the corporate governance rules for all companies were reinforced. These developments constituted paradigm shifts in the Indian corporate governance landscape. A new complete listing rule on disclosure obligations and reporting systems was released by SEBI in 2015 under the name Listing Obligations and Disclosure Requirements, 2015. In addition, SEBI established the Kotak Committee in 2017 to revamp the corporate governance framework.

CHALLENGES OF DIGITAL TRANSFORMATION AND CORPORATE GOVERNANCE

Cyber security continues to pose a serious threat to the material and financial well-being of nations, people, and enterprises around the world. The main barrier to the digital transformation of corporate governance and company law is safety. The Information



Technology Act, 2000 and associated regulations in India give electronic items legal identification, a platform for e-filing and e-commerce transactions, and a legal framework to control cybercrimes. With the rapid advancement of information technology, organisations are now taking additional precautions to protect data.

The general practise of integrating firewalls and antivirus software into company-wide security solutions is the first step in the multifaceted and interdependent business world. The second step is collaboration with global partnerships and proactive participation, and the final step is the integration of an intranet-based framework of cyber security knowledge repositories on cyber security management. The safety of business data and operating systems, as well as the preservation of corporate documents and intellectual property, are all covered by cyber security. Companies should make securing data the top priority for board oversight and board action. Board members must take proactive steps to manage how sensitive corporate data is stored, classify its vulnerabilities, create efficient data protection plans, and implement various data breach response procedures. The digital transformation may result in better work execution, improved communication, and better relationships between the company's numerous stakeholders, including the board of directors, managers, employees, and shareholders. The benefits of digitization boost a company's cost-benefit ratio and make it simpler, quicker, and less expensive to communicate with investors. To safeguard the organisation, it is necessary to analyse cyber risk and create a smart cyber security system.

CONCLUSION

The article looks into the effects of India's corporate governance practice's digital transformation. It is discovered that the degree of the regulatory framework's digitization and the listing regulations' impact on the corporate governance component are closely connected and fairly balanced. It is advised that regulators and businesses alike assess the advantages, restrictions, and difficulties brought on by the digitalization of company law, listing laws, and corporate governance principles. The corporate governance framework has gradually incorporated the digital push. To strengthen the corporate governance framework and widen digital transformation, India's most recent corporate governance developments have undergone significant modifications. The lawful frameworks are in place, and the regulatory bodies and other responsible authorities are actively looking for ways to make their legislation stronger in order to improve corporate governance practises.

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CHALLENGES OF BANKING SECTOR IN INDIA

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ABSTRACT

The banking sector plays dominant role in economic system. A bank is institution that provides financial services to their customer. Banking sector covers more than half assets of financial sector. Indian banking sector has experienced great change in recent era. The purpose of this study is to challenges of Indian banking sectors. The study found that most important challenges in banking sector by Assets management, Capital Adequacy, Technology, Balance sheet management, Demonetization and cyber security. Researcher has used secondary data to explain the various challenges that has been collected from various research papers, journals, RBI website and other sites.

Keywords: Banking service, Technology, Balance sheet management, Demonetization and cyber security.

INDRODUCTION

The banking industry in India has a huge canvas of history, which covers the traditional banking Practices from the time of Britishers to the reforms period, nationalization to privatization of banks and now increasing numbers of foreign banks in India. Therefore, Banking in India has been through a long journey. Banking Industry in India has also achieved a new height with the changing times. The use of technology has brought a revolution in the working style of the banks. Nevertheless, the fundamental aspects of banking i.e. trust and the confidence of the people on the institution remain the same. The majority of the banks are still successful in keeping with the confidence of the shareholders as well as other stakeholders as well as other stakeholders. However, with the changing dynamics of banking business bring new kind of risk exposure.

Historical Background:

Bank of Hindustan was set up in 1870. It was the earliest Indian bank. Later three presidency banks under presidency banks act 1876 that is bank of Calcutta, bank of Bombay and bank of madras were set up. This laid foundation for modern banking in India. In 1921 all presidency banks were amalgamated to form the imperial bank of India. Imperial bank carried out limited number of central banking functions prior to establishment of RBI. It engaged in all types of commercial banking business except dealing in foreign exchange. Reserve bank of India act was passed in 1934 and RBI was constituted as an apex body without major government ownership. Regulations act was passed in 1949. This regulation brought RBI under government control; under the act RBI got wide ranging power for supervision and the authority to conduct inspections in RBI. In 1955 RBI acquired control of the imperial bank of India, which was remained as state bank of India. It was 1960 when RBI empowers to force compulsory merger of weak banks with the strong once. It significantly reduced the total number of banks from 566 in 1951 to 85 in 1969. In July 1969 government nationalized 14 banks with deposits of more than Rs 200 crore. The Narashimhan committee report suggested wide ranging reforms for the banking sector in 1992 to introduce internationally accepted banking practices. The amendment of banking regulation act in 1993 saw the entry of new private sector banks

At present the Indian banking system of 18 public sector banks, 20 private sector banks, 43 foreign banks, 56 regional rural banks, 1589 urban cooperative banks and 93550 rural cooperative banks.

OBJECTIVE OF THE STUDY:

To study the emerging challenges in Indian banking sector

METHODOLOGY OF THE STUDY:

The study is totally based on the secondary data, were collected from website of RBI and journal etc. In this study the challenges of Indian baking sector by management risk, Balance sheet management, Demonetization and cyber security etc.

CHALLENGES FACED BY INDIAN BANKING SECTOR

CAPITAL ADEQUACY

One way a bank tries to ensure it is protected from bad loans is by setting aside money as ‘provision’. This money cannot be used for any other purposes including lending. As a result, banks have lower capital available to use for its various operations. The capital Adequacy Ratio measures how much capital bank has. When this falls, the bank has to borrow money or use depositors’ money to lend. This money, however, is riskier and costlier than the bank’s own capital. For example, a depositor can withdraw his\her money any time they want. So, a fall in CAR often called as or capital to Risk assets ratio] is worrisome. In the last few years, CRAR has declined steadily for Indian banks, especially for public sector banks which have higher number of bad loans. If banks do not shore up their number of bad loans. If bank do not shore up their capital soon, some could fail to meet the minimum capital requirement set by the RBI. In such a case, they could face severe issues.

TECHNOLOGY AND HUMAN MANAGEMENT

Public sector banks are seeing more employees retire these days. So, younger employees are replacing the elder, more experienced employees. This, however, happens at junior levels. As a result, there would be virtual vacuum at the middle and senior level. "The absence of middle management could lead to adverse impact on banks' decision making process as this segment of officers played a critical role in translating the top management's strategy into workable action plans" the deputy governor of bankers federation said. Moreover, banks products. This will also help make banks more efficient.

BALANCE SHEET MANAGEMENT

In the past few years, many banks have tried to delay setting money as provisions (for future bad loans). One reason for the this is that a bank's chief executives have a short tenure, during which time they want to post higher net profits and cheer investors. Deferring provisioning is harmful in the long term. It reduces the bank's ability to withstand financial pressures. This is even more problematic considering the poor capital adequacy in Indian banks. In fact, investors would be happier if the management addresses and sorts out problems rather than high net profits that cannot be sustained in the long term, the deputy governor of bankers federation said.

DEMONETIZATION

While announcing demonetization, the government had aimed that it was aimed at curbing black money. However, the recent calculation is raising doubts over the purpose and of the entire exercise. With less than a month to go {30 December} till the banned currency notes can be deposited. The RBI had said that Rs 8.45lakh crore was deposited and exchanged during 10-27 November, the State Bank of India saw deposits increasing by Rs 22,000 crore. In a recent submission to the Supreme Court, the Attorney General had said that the government expected Rs 10 lakh crore back as deposits. This raises questions whether the exercise was worth carrying out at all. This demonetization is a biggest challenge for today's bankers as there is a heavy urge for people to change their old currency.

Table 1 Growth of commercial banks based on some indicators

Years	Growth of Total deposits	Growth of Total Assets
2021	15443510	143583
2020	13748655	142875
2019	12639009	88298
2018	11434400	69674
2017	10730029	61319

Source: RBI statistics on Indian economy

The above table shows the growth of commercial banks based on some essential parameters of RBI like deposits and assets of these are in a increasing side.

Cyber security

To improve cyber security in 2015, banks will be forced to devote greater resources to enhancing the security, vigilance, and resilience of their cyber security model and should consider.

i. Adopting new methods, such as war gaming, attracting specialized talent, and increasing collaboration with other members of the ecosystem
ii. Beefing up their intelligence apparatus to detect new threats in a timely manner
iii. Expanding the role of the CISO include clear and prompt communication with board.

BRANCH BANKING

Traditionally Banks have been looking to expansion of their Branch Network to increase their Business. The new private sector banks as well as the foreign banks have been able to achieve business expansion through other means. Banks are examining the potential benefits that may accrue by tapping the agency arrangement route and the outsourcing route. While proceeding in this direction banks ought not to lose sight of the new risks that they might be assuming in outsourcing. Hence they have to put in place appropriate strategies and systems for managing these new challenges.

IMPLEMENTATION OF NEW ACCOUNTING STANDARDS

Derivative activity in banks has been increasing at a brisk pace. While the risk management framework for derivative trading, which is a relatively new area for Indian banks (particularly in the more structured products), is an essential pre-requisite, the absence of clear accounting guidelines in this area is matter of significant concern. It is widely accepted that as the volume of transactions increases, which is happening in the Indian banking system, the need to upgrade the accounting framework needs no emphasis. The World Bank's ROSC on Accounting and Auditing in India has commented on the absence of an accounting standard which deals with recognition, measurement and disclosures pertaining to financial instruments. The Accounting Standards Board of the Institute of Chartered Accountants of India (ICAI) is considering issue of Accounting Standards on the above aspects pertaining to financial Instruments. These will be the Indian parallel to International Accounting Standards 32 and 39. The proposed Accounting Standards will be of considerable significance for financial entities and could therefore have implications for the financial sector. The formal introduction of these Accounting Standards by the ICAI is likely to take some time in view of the processes involved. In the meanwhile, the Reserve Bank is considering the need for banks and financial entities adopting the broad underlying principles of IAS 39. Since this is likely to give rise to some regulatory / prudential issues all relevant aspects are being comprehensively examined. The proposals in this regard would, as is normal, be discussed with the market participants before introduction. Adoption and implementation of these principles are likely to pose a great challenge to both the banks and the Reserve Bank.

KYC GUIDELINES

The guidelines were revisited in the context of the recommendations made by the financial action task force on Anti Money Laundering Standards and on Combating Financing of Terrorism. Compliance with these standards both by the banks/financial institutions and the country has become necessary for international financial relationships. Compliance with this requirement is a significant challenge to the entire banking industry to fortify itself against misuse by anti social persons / entities and thus project a picture of solidarity and financial integrity of the Indian Banking system to the international community.

CONCLUSION

The Indian economy is on the brink of a major transformation, With several policy initiatives set to be implemented shortly. Positive business sentiment, improvement consumer confidence and more controlled inflation are likely to prop up the country's the economic growth. Enhanced spending on infrastructure, speedy implementation of projects and continuation of reforms are expected to provide further impetus to growth. All these factors suggest that India's banking sector is also poised for robust growth as the rapidly growing business would turn to banks for their credit needs.

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A STUDY ON PRIORITY SECTOR LENDINGS BY INDIAN COMMERCIAL BANKS - A REVIEW.

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ABSTRACT

Indian banking system made considerable progress in the 1950s and the 1960s but the benefits of this did not flow down to the public in terms of access to credit. Till 1968 commercial banks were not involved to any significant extent in providing direct finance to agriculture. The Informal Group of Institutional Arrangement for Agriculture Credit." suggested in 1964 that commercial banks which through their rural branches were gradually mobilizing more resources should develop activities being undertaken in rural areas. Priority Sector Lending (PSL) is essentially intended to make sure that assistance from the banking system flows in an increasing method to those people and sectors of the economy that through accounting for a significant proportion of the national product have not received adequate support from the traditional institutional finance in the past. The priority sector can be divided into – (i) Agriculture (ii) Micro and Small Enterprise (iii) Export Credit (iv) Education (v) Housing (vi) Social infrastructure (vii) Renewable Energy (viii) others. The rate of interest on the same is also very low. Lending funds to priority sectors create a profusion of job opportunities as well as a small business can be developed with the help of the same. In recent times, the Reserve Bank of India (RBI) through its mandatory guidelines, many commercial banks are deploying credit to the priority sector in India. The present paper has been made to highlight and assesses the three sectors of banks namely public, private, and foreign banks' role in the priority sector lending, especially in agriculture which is a backbone of the Indianeconomy.

Keywords: Priority Sector, Priority Sector Lending, Agriculture and Reserve Bank of India.

INTRODUCTION

The nationalization of banks was designed to make the system reach out to the small man and the rural and semi urban area and to extend credit coverage sectors like agriculture small scale industries, retail trade self-employed scheme, education etc. The Priority Sector is a sector that is given priority in present financial services by the banks. Reserve Bank of India has given guidelines and targets to all the banks working in India with look upon to priority sector services. Popularly known as the priority sector despite significant and commendable expansion of banking services in India during post nationalization period these achievements had extracted a heavy price in terms of qualities' deterioration of services and some undermining of the financial strength of the system. As per the guidelines for PSL which were revised on 26th October 2021 and Overall target was fixed 40 percent of Adjusted Net Bank Credit (ANBC) for domestic banks (PSBs and Private Banks) and 32 percent can be in the form of lending to exports and not less than 8 percent can be to any other Priority Sector for Foreign banks. The target for agriculture advances fixed at 18 percent for domestic banks and the target in case of Micro enterprise is 75 percent and Weaker Sectors 12 percent for foreign banks.

REVIEW OF EXISTING LITERATURE

Sudha Narayanan (2015), in his study examines the nature of the relationship between formal agriculture credit and agriculture GDP in India. Kamalesh and S.Dave (2016), in their study suggested that banks have to increase their lending activity towards priority sector to boost up the economy as the priority sector is the key segment of the development of the country. Udhaya Sweetline (2017), in her study concluded that the priority sector scenario has become very pathetic as they have no proper supports from all aspects. Ajaz Ahmad Dasses and Tarig Ahmed Malik (2018) in their study concluded that the priority sector advances of the banking groups are increasing. Maiahmed Abdelzher (2019) in his study revealed that informal finance and commercial credit have a positive impact on the performance of private companies, measured using the rate of return on assets**.** to create and implement marketing concepts offering products at minimal cost to the customer. D.Veena, G.V. Bhavani Prasad (2020) in their study explained that public sector banks are the major pillar for winning lending to priority sectors in India. Public sector banks in assembly the targets of priority lending can increase the economy of India.

OBJECTIVES OF THE STUDY

i. To analyze the trend of total amount of Priority Sector Lending (PSL) by the public sector,private sector and foreign banks;
ii. To assess and expose the PSL in terms of agriculture by the three groups of banks.

RESEARCH METHODOLOGY AND TOOLS USED IN THE STUDY

The study is purely based on secondary data where a major portion of data is extracted from 'Statistical Tables Relating to the Bank in India, the annual publication of RBI. Further, various articles, reports and research papers relating to PSL of Indian Commercial Banks have been referred. So, the study is basically secondary in nature. The study covers a period of nine years from the year 2013-2014 to the year 2021-2022. In order to analyze the data and draw conclusions in this study, various statistical tools like Descriptive Statistics and, ANOVA-Single Factor have been applied.

LIMITATIONS OF THE STUDY

Following are the main limitations of the study

i. The study is based on secondary data as published in various publications of RBI and other reports. These data are based on historical accounting concept, which ignores the impact ofinflation.
ii. The result is based on secondary data that has its own limitations.

ANALYSIS AND DISCUSSION

Total Amount of Priority Sector Lending by the Three Group of Banks.

Priority sectors means those sectors that the Government of India and Reserve Bank of India consider as vital for the growth of the basic needs of the country and are to be given priority over other sectors. The banks are mandated to encourage the growth of each sector with adequate and timely credit. Table 1 exhibits the year-wise priority sector lending's by the three groups of banksnamely Public Sector, Private Sector and Foreign Banks.

TABLE 1

PRIORITY SECTOR LENDINGS BY COMMERCIAL BANKS (Rs. in Crores)

YEARS	TOTAL AMOUNT OF LENDINGS TO PRIORITY SECTOR BY PUBLIC SECTOR BANKS	TOTAL AMOUNT OF LENDINGS TO PRIORITY SECTOR BYPRIVATE SECTOR BANKS	TOTAL AMOUNT OF LENDINGS TO PRIORITY SECTOR BY FOREIGN BANKS
2013-2014	1283680	327406	83820
2014-2015	1618971	466650	90014
2015-2016	1750893	530287	96604
2016-2017	1985307	662029.93	110392.46
2017-2018	2043474	758712.78	127985.78
2018-2019	2199201	871305.8	137875.23
2019-2020	2286394	1245177.58	160093.31
2020-2021	2360275	1369396	194265
2021-2022	2532708	1599199	233164
MEAN	2006767	870018.2	137134.9
RANK	1	2	3

SOURCE: Statistical Tables Relating to Banks in India.

By comparing the average values of the priority sector lending by the three groups of banks, it has been noted that the average is very high in case of public sector banks, as the mean value is 2006767. Next is the place of private sector banks whose mean value is 870018.2 and it is lowest in place of foreign banks as it is 137134.9. Since, the mean value of the Priority Sector Lending (PSL) of the public sector banks are more than that of the other two sectors, the public sector banks are found to be more successful and achieved the target as required by the Reserve bank of India.

To test the differences in the performance of PSL among the three sectors of banks, 'Single FactorANOVA' was performed and for which the following hypotheses have been framed and tested.

Ho: There is no difference in the performance of PSL among the three sectors of the bank;

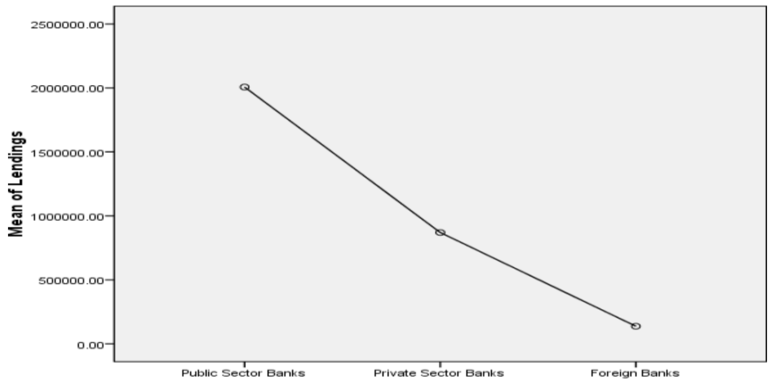
H1: There is a difference in the performance of PSL among the three sectors of the bank. The test results are given in the following Table 2.

TABLE 2

F-test in One Way ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
BetweenGroups	1.597E13	2	7.987E12	67.788	.000
WithinGroups	2.828E12	24	1.178E11		
Total	1.880E13	26			

Table 2 represents the results of F-test in one-way ANOVA. As shown in Table 2, the p-value (sig.value) of F-statistics (67.788) is less than the five percent level of significance. Hence, with a 95 percent confidence level, the null hypothesis of 'There is no difference in the performance of PSL among the three sectors of bank' cannot be accepted. Thus, it can be concluded from the results that the PSL of the three groups of banks are not the same. It is evidenced with the help ofthe Means Plot as illustrated below.



Total Amount of Lending to Agriculture by the Three Group of Banks.

Agriculture is considered to be the backbone of the development of the Indian economy. The commercial banks are directed through the periodical guidelines by the RBI to provide loans to this sector as agriculture is placed as the first sector in the priority sector lending list. Year-wise lending by the three group of banks to the agriculture are portrayed in Table 3.

TABLE 3
COMMERCIAL BANK'S LENDING'S IN AGRICULTURE

YEARS	PUBLIC SECTOR BANKS		PRIVATE SECTOR BANKS		FOREIGN BANKS	
	AMOUNT OF LOAN TO AGRICULTURE	% TO TOTAL PSL	AMOUNT OF LOAN TO AGRICULTURE	% TO TOTAL PSL	AMOUNT OF LOAN TO AGRICULTURE	% TO TOTAL PSL
2013-2014	530677	41.34	111968	34.2	200	0.239
2014-2015	687243	42.45	147754	31.66	1742	1.94
2015-2016	756233	43.19	181768	34.28	4178	4.32
2016-2017	904771.9	45.57	266857.29	40.3	6546.29	5.93
2017-2018	946850.4	46.34	297244.33	39.18	18639.64	14.56
2018-2019	961076.2	43.7	368987.75	42.35	33607	24.37
2019-2020	97354.1	4.26	491869.61	39.5	46481.12	29.03
2020-2021	975766	41.34	574566	41.96	52833	27.2
2021-2022	1125566	44.44	612628	38.31	52360	22.46
AVERAGE	776170.8	39.18111	339293.7	37.97111	24065.23	14.44989
RANK	1		2		3	

SOURCE: Statistical Tables Relating to Banks in India.

By comparing the average values of the agriculture lending by the three groups of banks, it has been noted that the average is very high in case of public sector banks, as the mean value is 776170.8. Next is the place of private sector banks whose mean value is 339293.7 and it is lowest in place of foreign banks as it is 24065.25. Since, the mean value of the lending to agriculture of the public sector banks are more than that of the other two sectors, the public sector banks are found to be more successful and achieved the target.

To test the differences in the performance of agriculture lending among the three sectors of banks, 'Single Factor ANOVA' was performed and for which the following hypotheses havebeen framed and tested.

Ho: There is no difference in the performance of agriculture lending among the three sectors ofthe bank;

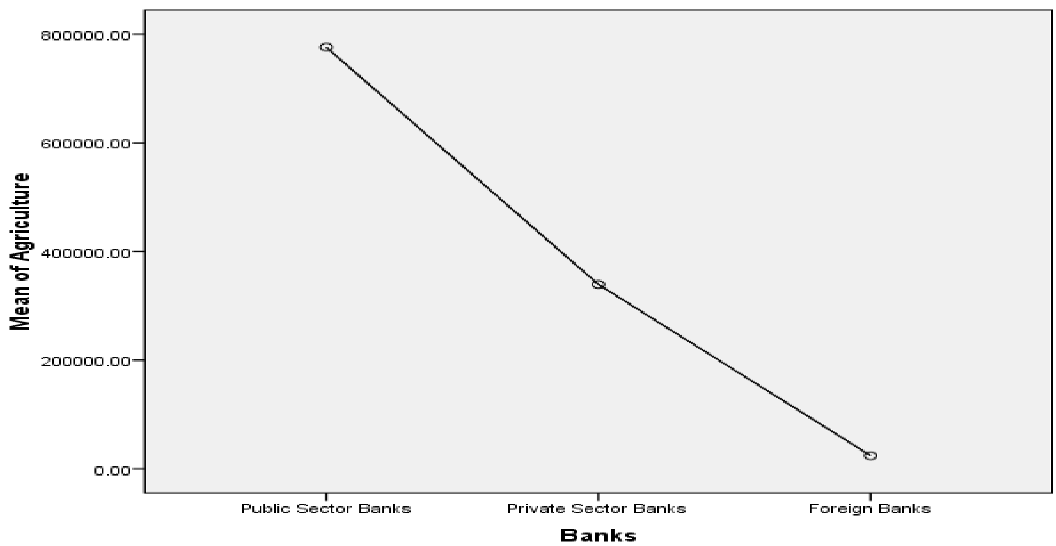
H1: There is a difference in the performance of agriculture lending among the three sectors of the bank.

The test results are given in the following Table 4.

TABLE
F-test in One Way ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	2.568E12	2	1.284E12	29.357	.000
Within Groups	1.050E12	24	4.373E10		
Total	3.617E12	26			

Table 2 represents the results of F-test in one-way ANOVA. As shown in Table 2, the p-value (sig.value) of F-statistics (29.357) is less than the five percent level of significance. Hence, with a 95 percent confidence level, the null hypothesis of 'There is no difference in the performance of agriculture lending among the three sectors of bank' cannot be accepted. Thus, it can be concluded from the results that the agriculture lending of the three groups of banks is not the same. It is evidenced with the help of Means Plot as illustrated below.



FINDINGS AND CONCLUSION

The present study is a longitudinal study on performance analysis of priority sector lending by the public sector, private sector and foreign banks during the study period. The study is conducted for three groups of banks for the period of nine years ending with 2021-2022. The following findingsare observed in the study.

i. Among the Priority Sector Lending (PSL) of the three sectors of bank, public sector bankssucceeded in managing their first position.

ii. The public sector banks are found to be more successful in achieving the target as prescribed by the Reserve Bank of India.

iii. As the mean value of the lending to the agriculture of the public sector banks is more than that of the other two sectors, the public sector banks are found to be more successful and achieved the target.

iv. It is found from the results of the statistical analysis that there is a difference in the performance of PSL among the three sectors of bank.

The Reserve Bank of India decides to allot funds to predetermined priority sectors of the economy that may require credit and financial assistance, especially in cases where the lack of PSL will lead to the heavy losses to the participants of that sector in some cases. Priority Sectors Lending is the role exercised by the RBI to banks, pleading them to contribute funds for specific sectors of the economy like agriculture and allied activities, education and housing and food for the poorer population.

SCOPE FOR FURTHER RESEARCH

The study can be further extended to assess the performance of bank credit to the priority sector by individuals bank-wise. Such a study would enhance the level of understanding for administrators and researchers. This paper and its findings may be of considerable use to banking institutions, policy-makers and to academic personalities in the area of the banking sector.

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ARUMUGAM PILLAI SEETHAI AMMAL COLLEGE

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THIRUPPATHUR

DEPARTMENT OF VOCATIONAL EDUCATION

&

P.G. AND RESEARCH DEPARTMENT OF COMMERCE

ICSSR-SRC SPONSORED NATIONAL SEMINAR ON FINTECH - 2022

(FINTECH REVOLUTION IN INDIAN BANKING SECTOR - OPPORTUNITIES AND CHALLENGES

DETAILED REPORT ON DAY WISE PROCEEDINGS OF NATIONAL SEMINAR

28.09.2022 to 29.09.2022

DETAILED REPORT ON DAY WISE PROCEEDINGS OF NATIONAL SEMINAR

28.09.2022 to 29.09.2022

Two days ICSSR-SRC sponsored National Seminar on Fintech -2022 (Fintech Revolution in Indian Banking Sector - Opportunities and Challenges) was organized by Department of Vocational Education and P.G. and Research Department of Commerce in our college on 29.09.2022 & 30.09.2022. Seminar brought all the researchers, academicians, young budding students into a single platform for dissemination of valuable ideas and thoughts in Emerging Fintech sector. Programme was kick started by inauguration event. On day 1 (29.09.2022), Dr. SM. Alagappan, Associate Professor and Head i/c, P.G. and Research Department of Commerce welcomed the participants followed by presidential address given by our Principal Dr. (Capt.) KR. Jeyakumar. He gave birds eye view on developments occurring in the Fintech domain. He also stressed that our country is one amongst the fastest growing fintech markets in the world. He urged all budding scholars to take up their research in Fintech segment in redefining the Pros & Cons of Fintech industry. Our College Vice-President Thiru N. Rameswaran gave special address regarding the seminar theme. He highlighted that in today's booming technology, fintech cannot be left out. Now, Finance and Technology has become inevitable, and it cannot be looked apart. He also pointed out that Technological innovation is one of the most influential developments affecting the global financial sector soon. Dr. R. Kalidoss, Convener for this seminar & Nodal Officer, Vocational Education proposed thematic address. In his address, he outlined the emerging fields in Fintech sector and motivated the participants to take up their research in Fintech and find out the possible solutions to rectify the vulnerable threats in financial technology. Dr. V. Manickavasagam, Former Registrar, Controller of Examinations and Dean Management, Alagappa University, Karaikudi and Principal, Nachiappan Swamigal College of Arts and Science, Koviloor gave the inaugural address. He explained that the future of Fintech is where financial services, giants, fintech strat-ups and regulatory bodies is going to define the future. He also pointed out that by the inclusion of the leverage technology by the financial companies across the nation is going to take advantages of some initiatives such as Jan Dhan Yojna, Aadhaar enrolment, Payment Banks, Small finance banks etc., He gave an nuclear view relating Fintech with Economic growth, Green Finance, Financial regulations, support to MSMEs and Disruption in Financial services sector. He also highlighted with some interesting examples and figured out the reason why Fintech or digital innovations has emerged as a potentially transformative force in the financial markets. In addition, Dr. A. Susaimanickam, Vice-Principal &Prof. S. Rajamanickam, Self-Finance Co-ordinator gave felicitation address. They expressed their concerns involved in the Fintech Market despite the positive note on Fintech. Cyber security and Data Protection are the key areas which every researcher has to give importance. Finally, Dr. M. Pandidevi, Assistant Professor of Vocational Education (Banking and Financial Services) proposed vote of thanks.

On day 1 of Forenoon and Afternoon, three technical sessions were arranged. Dr. V. Manickavasagam, Former Registrar, Controller of Examinations and Dean Management, Alagappa University, Karaikudi and Principal, Nachiappan Swamigal College of Arts and Science, Koviloor gave a special talk on Fintech- Opportunities and Hurdles and the way forward. He addressed the participants about the hurdles in Fintech industry such as Data Security, Compliance with Government Regulations, Lack of Mobile and Tech Expertise, Big Data and AI Integration, Block chain Integration, User Retention and User Experience, Effective Marketing Tactics to Acquire Customers etc. On the Flipside of the Day 1, Dr. V. Balachandran, Former Registrar& Dean management, Alagappa University, Karaikudi, Dean Faculty of Management, Central University of Kerala, Kasaragode briefed about Initiatives of Regulatory Agencies to curb corporate frauds. He briefed explained about the incidence of corporate frauds which made an impact on stakeholders' confidence. He also pointed out that at the same time, many large corporations maintain consistently good record of ethical practices and compliance with the law that contrast sharply with the behaviour of other corporations. The reasons for these differences present several important issues.

Participants presented their findings in the presentation session which was chaired by Dr. V. Elangovan, Associate Professor & Head, Department of Economics, Dr. A. Morarji, Professor of Corporate Secretaryship, Alagappa University, Karaikudi, Dr. S. Mariyarathinam, Associate Professor, Department of Economics and Dr. K. Ganesamurthy, Assistant Professor of Corporate Secretaryship, Alagappa University, Karaikudi. Totally, six participants gave oral presentation disseminating their findings. Chairpersons evaluated their findings and suggested few suggestions to them.

On Day 2 (30.09.2022), Dr.S.Latha, Assistant Professor of Commerce, Arumugam Pillai Seethai Ammal College, Thiruppathur welcomed the gatherers. Thiru N. Arumugarajan, Secretary, Arumugam Pillai Seethai Ammal College, Thiruppathur gave the presidential address. In his address, he first congratulated the organizing department for conducting the seminar. He stated that Fintech is an umbrella term coined in the recent past to denote technological innovation having a bearing on financial services. He enumerated the various advantages of Fintech sector such as mobile payments, Insurance, crowd funding platforms, investment management etc., He also briefed about the impregmentation of Fintech into the business arena. Although there may be potential risk, but Fintech has become the need of the hour in this period. Dr. K. Alamelu, Professor and Head, Department of Bank Management, Alagappa University, Karaikudi gave special address on mobile wallets- A fintech Revolution in Digital India to the participants in which she enumerated the role of financial technology in digitalization. She explained that Indian economy recorded a sharp rebound of 8.7% growth in 2021-22. The upsurge in digital adoption during the pandemic has made India a pioneer in fintech revolution for developing as well as developed nations. Finally, second day inauguration was ended with a vote of thanks proposed by Mrs. A. Nirmala, Assistant Professor of Vocational group (Software development). Immediately, 6 participants gave oral presentation. The session was chaired by Dr. C.S.Edhayavarman, Assistant Professor of Business Administration, Dr. P. Rajendran, Assistant Professor of Commerce, Dr. S. Amutha, Assistant Professor of Commerce and Mr. V. Nagarajan, Assistant Professor of Commerce, Arumugam Pillai Seethai Ammal College, Thiruppathur. They evaluated the presentations and gave valuable and strong inputs to the participants so that they can improvise the depth of their research category. Finally, in the Fourth technical session, special address on Impact of Digitalisation of corporate governance was rendered by Dr. C. Vethirajan, Professor and Head, Department of Corporate Secretrayship, Director, Alagappa Institute of Skill Development, Alagappa University, Karaikudi. He emphasized that Digital financial services are the key driver of credit disbursement via digital platforms which can be attributed to the Jan Dhan-Aadhaar-Mobile (JAM) trinity revolution. Transparency adaptability, multilingual options of access and robust interface were some of the key features in Fintech sector.

In the Valedictory session, Dr. N. Sreedevi, Deputy Co-ordinator, Internal Quality Assurance Cell, Arumugam Pillai Seethai Ammal College welcomed the gatherers. Felicitation Address was given by Dr. G.V.Gopinath, Assistant Professor of Zoology. He highlighted the benefits and risks involved in Fintech Sector. He enumerated the benefits such as More choice of financial products, Faster and convenient access, personalized products, easier to compare and switch over facilities. He also enlisted the risks involved such as data protection, and cyber security, less face to face interaction etc., Finally Certificate was distributed by Dr. C. Vethirajan, Professor and Head, Department of Corporate Secretaryship, Director, Alagappa Institute of Skill Development, Alagappa University, Karaikudi. Dr. R. Kalidoss, Convener and Nodal Officer, Vocational education proposed vote of thanks. Seminar ended in successful note.

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P.G. AND RESEARCH DEPARTMENT OF COMMERCE

ICSSR-SRC SPONSORED NATIONAL SEMINAR ON FINTECH - 2022

(FINTECH REVOLUTION IN INDIAN BANKING SECTOR - OPPORTUNITIES AND CHALLENGES

SHORT REPORT

28.09.2022 to 29.09.2022

SHORT REPORT

Two days ICSSR-SRC sponsored National Seminar on Fintech -2022 (Fintech Revolution in Indian Banking Sector - Opportunities and Challenges) was organized by Department of Vocational Education and P.G. and Research Department of Commerce in our college on 29.09.2022 & 30.09.2022.Academicians, industrialist, young sprouting researchers actively participated in the seminar. The seminar comprised of six technical sessions. Four special invited lectures were arranged by inviting eminent academicians from reputed institutions. 15 research articles were received from faculties and research scholars. There were 225 registrations for the seminar which included students, research scholars and faculty members.

On the inaugural day, our college Vice-President Thiru N. Rameswaran gave special address regarding the seminar theme. He highlighted that in today's booming technology, fintech cannot be left out. Now, Finance and Technology has become inevitable, and it cannot be looked apart. Inaugural address was given by Dr. V. Manickavasagam, Former Registrar, Controller of Examinations and Dean Management, Alagappa University, Karaikudi and Principal, Nachiappan Swamigal College of Arts and Science, Koviloor in which he pointed out major advantages of some initiatives such as Jan Dhan Yojna, Aadhaar enrolment, Payment Banks, Small finance banks etc. Moreover, Dr. V. Manickavasagam was the resource person for the technical session I and he gave a special talk on Fintech- Opportunities and Hurdles and the way forward. On the Flipside of the Day 1, Dr. V. Balachandran, Former Registrar & Dean management, Alagappa University, Karaikudi, Dean Faculty of Management, Central University of Kerala, Kasaragode briefed about Initiatives of Regulatory Agencies to curb corporate frauds in technical session II.On Day 2 (30.09.2022), Thiru N. Arumugarajan, Secretary, Arumugam Pillai Seethai Ammal College, Thiruppathur gave the presidential address. He stated that FinTech is an umbrella term coined in the recent past to denote technological innovation having a bearing on financial services. He enumerated the various advantages of Fintech sector such as mobile payments, Insurance, crowd funding platforms, investment management etc., In technical session III, Dr. K. Alamelu, Professor and Head, Department of Bank Management, Alagappa University, Karaikudi gave special address on Mobile Wallets- A fintech Revolution in Digital India to the participants in which she enumerated the role of financial technology in digitalization.Finally, in the Fourth technical session, special address on Impact of Digitalisation of corporate governance was rendered by Dr. C. Vethirajan, Professor and

Head, Department of Corporate Secretaryship, Director, Alagappa Institute of Skill Development, Alagappa University, Karaikudi. Transparency adaptability, multilingual options of access and robust interface were some of the key features in Fintech sector.

Participants presented their findings in the presentation session on both the days which was chaired by pool of evaluators Dr. V. Elangovan, Associate Professor & Head, Department of Economics, Dr. A. Morarji, Professor of Corporate Secretaryship, Alagappa University, Karaikudi, Dr. S. Mariyarathinam, Associate Professor, Department of Economics and Dr. K. Ganesamurthy, Assistant Professor of Corporate Secretaryship, Alagappa University, Karaikudi. Dr.C.S.Edhayavarman, Assistant Professor of Business Administration, Dr. P. Rajendran, Assistant Professor of Commerce, Dr. S. Amutha, Assistant Professor of Commerce and Mr. V. Nagarajan, Assistant Professor of Commerce, Arumugam Pillai Seethai Ammal College, Thiruppathur. They evaluated the presentations and gave valuable and strong inputs to the participants so that they can improvise the depth of their research category. He emphasized that Digital financial services are the key driver of credit disbursement via digital platforms which can be attributed to the Jan Dhan-Aadhaar-Mobile (JAM) trinity revolution. Finally Certificate was distributed to all the participants. Seminar ended in successful note.

ARUMUGAM PILLAI SEETHAI AMMAL COLLEGE, THIRUPPATTUR

List of participants for attended ICSSR - SRC National Seminar titled on FINTECH – 2022

(FINTECH REVOLUTION IN INDIAN BANKING SECTOR – OPPORTUNITIES AND CHALLENGES)

on 29-09-2022 & 30-09-2022

S.No	Name	College	Address
1	Dr. KR. Jaya Kumar Principal	Arumugam Pillai Seethai Ammal College	Thiruppattur, Sivagangai (Dt).
2	Dr.V.Manickavasagam Former Registrar, COE & Dean Management,	Alagappa University, Karaikudi. Principal, Nachiappa Swamigal College of Arts & Science, Kovilore.	Kovilore, Sivagangai (Dt).
3	Dr.S.M.Alagappan Associate Professor & Head	Arumugam Pillai Seethai Ammal College	Thiruppattur, Sivagangai (Dt).
4	Prof.S.Rajamanickam Self Finance Co-ordinator	Arumugam Pillai Seethai Ammal College	Thiruppattur, Sivagangai (Dt).
5	Dr.V.Balachandran Former Registrar & Dean Management Dean, Faculty of Management	Central University of Kerala,	Kasargod, Kerala.
6	Dr.A.Morarji Professor of Corporate Secretaryship	Alagappa University	Karaikudi.
7	Dr.K.Ganesamurthy Asst.Professor of Corporate Secretaryship	Alagappa University	Karaikudi.
8	Dr.K.Alamelu Professor & Head Department of Bank Management	Alagappa University	Karaikudi.
9	Dr.C.Vethirajan Professor & Head Department of Corporate Secretaryship Director Alagappa Institute of Skill Development	Alagappa University	Karaikudi.
10	Dr. N. Sridevi Assistant Professor of Economics	Arumugam Pillai Seethai Ammal College	Thiruppattur, Sivagangai (Dt).
11	Dr. R. Kalidoss Assistant Professor of commerce, Nodal officer, Department of Banking and Finance.	Arumugam Pillai Seethai Ammal College	Thiruppattur, Sivagangai (Dt).
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13	Dr. R. Manjula Assistant Professor of Economics	Arumugam Pillai Seethai Ammal College	Thiruppattur, Sivagangai (Dt).
14	Dr. M.Lakshmimehala Assistant Professor of Economics	Arumugam Pillai Seethai Ammal College	Thiruppattur, Sivagangai (Dt).
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18	Dr. R. Prema Rani Assistant Professor of Physics	Arumugam Pillai Seethai Ammal College	Thiruppattur, Sivagangai (Dt).
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23	Dr. S. Latha Assistant Professor of Commerce	Arumugam Pillai Seethai Ammal College	Thiruppattur, Sivagangai (Dt).
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5	KALPANA.K
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8	RAJALAKSHMI.A
9	SELVI.N
10	SUMATHI.P
11	THIRISHA.M
12	YAZHINI.S
13	AJITHKUMAR.K
14	BARATHKUMAR.K
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16	KAMALAKANNAN.M
17	KAVIPRAKASH.T
18	MANIKANDAN.L
19	MANOJ KUMAR.S
20	MANOJ.S
21	MUHILAN.K
22	NITHIYANANTHAM.S
23	RAMESH.S
24	SAHID AFRIDEEN.D
25	SILAMPARASAN.N
26	SURESHIAN.G
27	SURYA.R

B.Voc SOFTWARE DEVELOPMENT I - YEAR 2022-2023

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7	DIVYA.R
8	HAJJUL BIRTHOUSE.N
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10	KABILAYA.M
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15	RAMYA.C
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18	SANGEETHA.A
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20	SINEKA.C
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22	VINITHA.S
23	ALAGESHWARAN.D
24	AMBALATHARASAN.V
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28	BALAJI.P

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31	KARTHIKEYAN.T
32	KARTHIKEYAN.V
33	MANIMARAN.R
34	MANOJ.M
35	MUTHUKKARUPPAIYA.K
36	MUTHUPANDI.K
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38	PRAVEEN.B
39	PREM KUMAR.K
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41	SANJAYKUMAR.B
42	SANTHOSH.V
43	SETHUPATHI.S
44	SIVA.B
45	SIVARAMAN.D
46	SONAIMUTHU.K
47	SRIMOORTHI.T
48	SUDHARSAN.V
49	VEERAPANDIYAN.P
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4	PRIYADHARSHINI.V
5	SWATHI.M
6	ABDULSALAM.S
7	ABINESH.M
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9	ARUN.A
10	ARUNKUMAR.KR
11	CHINNAKKARUPPAN.S
12	KARTHICK.A
13	MANOJKUMAR.P
14	MOHAMED THAMEEM ANSARI.A
15	MOHAMED YASIN.S
16	RAKESH.R
17	SENTHILKUMAR.R
18	VIGNESHWARAN.S

B.Voc. SOFTWARE DEVELOPMENT II - YEAR

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3	ISHWARYA.M
4	PANDIMEENAL.P
5	PANDISELVI.P
6	SNEKA.S
7	AJAYKUMAR.A
8	AKILAN.M
9	HARIRAJ.B
10	JEGAN.A
11	MUKESH.A
12	NAGENTHIRAMOORTHI.M
13	PILLAI VIRAMAKALI BALKRISHNA
14	RAJA.C
15	RANJITHKUMAR.C
16	SHIYAMSUNDAR.B

B.Voc. BANKING AND FINANCIAL SERVICES III – YEAR

S. NO	NAME
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2	ABIRAMI.V
3	ALAGUMEENAL.C
4	ARTHI.A
5	KARTHIKA.M
6	MANOJEETHA.P
7	MATHAVI.R
8	MEENAL.L
9	MOHANASUNDARI.R
10	PONNURATHAM.A
11	RAJALAKSHMI.R
12	SELVAPRIYA.S
13	SINDHU.R
14	SNEHA.K
15	SNEHA.S
16	SUBHA.V
17	SUDHA.A
18	MAHARAJA.M
19	MOHAMED SHAMIM.S
20	NANDHA GOPAL.N
21	NEELESH.A
22	PANDIAN.E
23	SARAN.N
24	SHAJAHAN.I
25	VAIRAMANI.R
26	VEERAN.O
27	VISHWA.S

B.Voc. SOFTWARE DEVELOPMENT III - YEAR

S. NO	NAME
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ARUMUGAM PILLAI SEETHAI AMMAL COLLEGE, THIRUPPATTUR

List of Resourc Persons for ICSSR - SRC National Seminar titled on

FINTECH – 2022

(FINTECH REVOLUTION IN INDIAN BANKING SECTOR – OPPORTUNITIES AND CHALLENGES)

on 29-09-2022 & 30-09-2022

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