

Dimensions for Measuring Financial Inclusion in the Rural Areas of Tamil Nadu

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Abstract

Background/Objectives: The Reserve Bank of India (RBI) has stated that financial inclusion is a process of delivering financial services at a reasonable cost to the people especially from the most down sided sections in the society. The financial services such as timely credit facilities and accessing financial products like small saving deposits reach the rural people easily by the formal financial institutions such as banking industries. Due to the non-availability of banking facilities, people from remote villages face several hindrances to meet their basic necessities. Therefore this paper has done an investigation to measure the level of financial inclusion with the three different dimensions such as Branch Penetration of Banking Industries, Deposit Penetration and Credit Penetration in the rural areas of all the districts in the state of Tamil Nadu. **Methods/Statistical Analysis:** Secondary data has been collected from various resources such as web sites of Reserve Bank of India (RBI), State Level Banker's Committee (SLBC) Tamil Nadu, articles and Journals. The dimensions such as Branch Penetration, Credit Penetration and Deposit Penetration in the rural areas of all the districts in Tamil Nadu have been measured using the multidimensional approach to calculate the index of financial inclusion. **Findings:** Ariyalur District has achieved 64.79 IFI that is, the maximum score of financial inclusion in the rural areas by the year 2015. The district Perambalur has higher (>55) level of financial inclusion. The Districts Sivaganga, Nagapattinam and Pudukottai have above average (between 40.0 to 55) level of financial inclusion. The districts Tiruvarur, Karur, Krishnagiri, Ramanathapuram, Dharmapuri, Thanjavur, Cuddalore, Nammakal, Tuticorin and Villupuram have financial inclusion in rural areas with below average level. And the rest of the districts have very low level of financial inclusion. **Application / Improvement:** Many districts of Tamil Nadu have very low level of financial inclusion in the rural areas. The Government of India and concern authorities should consider those districts which are excluded from receiving financial services to revamp the status of financial inclusion.

Keywords: Banks, Branch Penetration, Business Correspondents, Credit Penetration, Deposit Penetration, Financial Inclusion, Rural Areas in Tamil Nadu

1. Introduction

Financial Inclusion is an activity of facilitating financial services to the un banked and un reached segments in the society. Rural India captures a salient role in our country's economic growth through services, agriculture, self-employment, construction¹. But the penetration and effectiveness of banking services were implemented successfully in the region of semi-urban and metropolitan areas. The awareness about financial services and access towards financial services were still lacking in the region of rural areas. Rural people and low income group

people could not get timely credit to meet their basic and emergency needs. The financial institution like banking industries can only give a path for the rural as well as low income group people to satisfy their credit needs. The Reserve Bank of India (RBI) has stated that entry of more bank branches in the rural and semi-urban areas will cultivate the saving habits of rural people this indirectly helps to improve the status of financial inclusion in the society. The RBI has developed Business Correspondent Model, which is the mediator between the poor people and commercial banks in order to increase the saving habits and create awareness about the banking products towards

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rural people in the society. This BC Model cultivates the rural people about the banking credit facilities like agriculture loan to the farmers, small borrowings and basic savings deposit account facilities to the rural people². India is a country with huge amount of rural population and highly engaged in rural activities financial services should be facilitated to the rural people in a transparent and balanced manner by the formal financial institutions³. Since 1960's Banking Institutions acts as a gateway in enhancing and promoting the degree of financial inclusion in our country⁴. Moreover banking industries has adopted new technologies which makes banks to increase its potential to satisfy the demand needs of its customers through the delivery of financial products and services⁵. Banks has designed a Mobile Banking Technologies to reach its financial services and products to the customers every in rural area at a very low transaction cost⁶.

2. Objectives

- To analyze the dimensions that measures the level of financial inclusion in the rural areas of Tamil Nadu.
- To generate financial inclusion Index Scores to the various districts of Tamilnadu and Rank them accordingly.

2.1 Dimensions that Measures the Level of Financial Inclusion in the Rural Areas of the Districts in Tamil Nadu

CRISIL Inclusix in June 2015 has released the report of financial inclusion which covers the entire 625 districts of India. It has taken three different parameters to measure the level of financial inclusion such as bank penetration, deposit and credit penetration to measure the index of financial inclusion at national level, State, Regional and District Levels for the fiscal year 2013. As per the CRISIL Report, India has scored 50.1 IFI (Index of Financial Inclusion)⁷. Demand and supply side factors have to be considered to measure the level of financial inclusion. The study has taken penetration of Bank Branches, avail of Banking facilities and Services and Usage of Banking Services such as Deposits and Credit accounts as a Demand Side Parameters and Access to Insurance, Savings and the Credit by the households as the Supply Side Parameters to measure the level of Financial Inclusion in the entire states of Tamil Nadu for the fiscal⁸. Number of Bank Accounts per 1000 Adults, Amount of Banks' Credit and

Deposits per Million Population, Number of Automated Teller Machine (ATMs) used by per Million group of Population and number of Branches of the Banks per million people are said to be the common indicators to measure the Index of Financial Inclusion. The study has done a comparative study on all the districts of Punjab and Rural Punjab to measuring the financial inclusion index for the year 2009, by using the three different parameters such as Penetration of Bank Branches, Usage of Banking Services and Banking Services Availability⁹.

2.1.1 Conceptual Framework

Determinants of financial inclusion has been studied in the various districts of West Bengal by considering the information from the supply side perceptive such as banks and other service providers and information from the demand side perceptive such as users of banking service like households, individuals and firms¹⁰. The extent of financial inclusion has been identified by measuring the customized index for the four districts of Tamil Nadu such as Cuddalore, Nagapattinam, Tiruvanamalai and Villupuram by taking three parameters such as Access to number of bank accounts in the study area, number of Bank branches, Number of Business Correspondents and Usage of Account holders¹¹.

2.2 Methodology

2.2.1 Financial Inclusion Index Scores to the Various Districts of Tamil Nadu

The study has taken four different parameters to measure the financial inclusion Index such as Bank Penetration, Deposit Penetration, Availability of Business Correspondents and Credit Penetration of the rural areas in the districts of Tamil Nadu for the year 2015 as displayed in Figure 1. Secondary Data has been collected about these three dimensions by the researcher. The indicators for the index of financial inclusion are tabulated in Table 1. The parameters of the Table 1 are collected from the website Reserve Bank of India (RBI) report on Database of Indian Economy¹² and from the website of SLBC (State Level Bankers Committee) Tamil Nadu¹³. The rural population of all the districts has been collected from the report of Census¹⁴

2.2.2 Index of Financial Inclusion (IFI)

The study consists of four different dimensions with four different parameters. The reliability will be found for each parameter in the study since it consists of different units

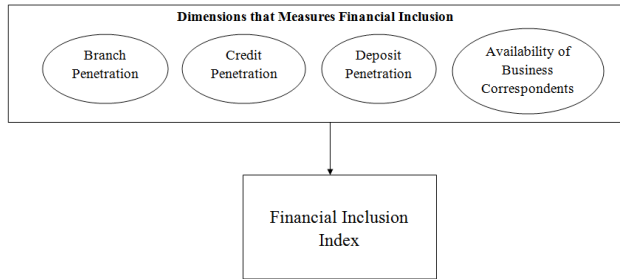


Figure 1. Dimensions that measures financial inclusion.

Table 1. Dimensions that measures financial inclusion index

Dimensions	Parameters	Significance
Branch Penetration	Number of Bank Branches per 1Lakh Population in Rural Areas	Measures the facilities of Banking Services in the rural areas of Tamilnadu
Business Correspondent Model	Number of Business Correspondents per 1Lakh Population in Rural Areas.	Measures the Availability of Business Correspondents to facilitate doorstep banking services for the rural people
Credit Penetration	Number of Loan Accounts per 1Lakh Population in Rural Areas	Measure the access of credit facilities given to the rural people including Agricultural loans and Small loans, etc.
Deposit Penetration	Number of Savings Accounts per 1Lakh Population in Rural Areas	Measures the access of Banks saving products and services by the rural people.

of measurements. Therefore it has to be normalized using the Min-Max method in the below listed formula.

$$Xi(\text{Normalized}) = \frac{Xi - X(\text{Min})}{X(\text{Max}) - X(\text{Min})} \times 100$$

Where as

X_i represents the value of the parameter for the particular district 'i'.

$X(\text{min})$ represents the minimum value that has been observed over all the districts for a particular parameter.

$X(\text{max})$ represent the maximum value that has been observed over all the districts for a particular parameter.

The data of each parameter of all the districts has been converted between the numbers of 0 to 100 by using the Min- Max method of normalization. The method indicates that 100 is the best performer for the particular parameter of the district 'i' and 0 is the worst performer for the particular parameter of the district 'i'.

Each Districts of Tamil Nadu are characterized by the particular point in between the three dimensional space (0, 0, 0, 0) to (100,100,100,100). The value of index of financial inclusion of rural areas in the districts of Tamil Nadu is measured using the below listed formula:

$$\text{Index of Financial Inclusion (IFI)} = 100 - \frac{\sqrt{(100 - BP)^2 + (100 - CP)^2 + (100 - DP)^2 + (100 - BC)^2}}{\sqrt{4}}$$

BP = 1st Dimension to measure Branch Penetration in the rural population

CP = 2nd Dimension to measure Credit Penetration in the rural population

DP = 3rd Dimension to measure Deposit Penetration in the rural population

BC = 4th Dimension to measure Availability of Business Correspondent Model

Index Scores of Financial Inclusion from the CRISIL Inclusix has been listed in the Table 2.

From the index score the researcher could easily rank the parameter as well as the dimensions of the particular district and can easily identify the results of the region based on the scores generated at the particular parameter. This study has ranked the districts based on the parameters individually as well as the overall index scores has been calculated and ranked separately.

2.2.3 Dimension 1: Branch Penetration

Financial institutions like banking industries acts as drivers for improving the potential of economic condition of the

Table 2. Index scores of financial inclusion based on CRISIL Inclusix

Index Score	Level of Financial Inclusion
>55	HIGH
Between 40.1 and 55.0	ABOVE AVERAGE
Between 25.0 and 40.0	BELOW AVERAGE
< 25	LOW

Source: CRISIL Report 2013

country, to reduce the level of inequality and poverty in an indirect way of facilitating financial services. The study highlighted that bank sectors can alone envelop the entire states to achieve financial inclusion¹⁵. The demand of brick and mortar branches is increase in rural areas. Therefore financial inclusion gets increased automatically if there is more penetration of bank branches in rural areas¹⁶. Savings habits will be mobilized in the weaker sections in the society if there is penetration of financial services to the rural people by the banking industries¹⁷.

2.2.4 Dimension 2: Credit Penetration

Financial Inclusion is defined as an activity of facilitating financial and banking services to the rural people and offering them timely credit facilities to the poor people in order to improve their welfare measures¹⁸. Kisan Credit Cards (KCCs) and General purpose Credit Cards (GCCs) have been issued by the commercial to the farmers to meet their timely and emergency credit necessities such as purchase of products and goods¹⁹. To strength financial inclusion banks have adopted the strategy of making huge involvement in increasing the credit facilities to the rural people. Inadequacy of resources and fickleness are said to be condition of rural people in the society. Agricultural Credits and Small loans are said to be the credit facilities given by the banking industries to reduce their scarcity of credit requirements for the rural people²⁰⁻²³.

2.2.5. Dimension 3: Deposit Penetration

The Reserve Bank of India (RBI) has advised Commercial Banks to open No- Frill Accounts which has been labeled as Basic Saving Deposit Accounts (BSBAs). The rural and poor people can maintain minimum amount say even zero balance can be maintained in order to cultivate saving habits among the poor people. Bank has developed banking products like deposit accounts with the overdraft facilities to meet the basic needs of rural and low income group people. In India number of saving bank accounts has been increased from Rs. 5.17 Lakh Crore to Rs. 19.09 Lakh Crore. The yojana scheme has highlighted that the main objective of financial inclusion to bring the rural people from the segments of unbanked areas in to the formal financial system.

2.2.6 Dimension 4: Availability of Business Correspondents

The Reserve of India (RBI) has developed Business Correspondent Model to facilitate financial services and

create awareness about the banking products and services towards the rural people. To implement this strategy RBI has instructed Commercial Banks to appoint Business Correspondent who acts as a mediator between the banks and the rural people. The Business Correspondents (BCs) are allocated to the various villages and the rural people are facilitated with the banking services even in the unbanked segmented villages. The business Correspondent plays an important role in promoting banking services at the doorstep of the rural people with the help of Information and Communication Technologies (ICTs). The Business Correspondent also helps in implementing the branchless banking towards the excluded sections in the society. In the year 2016 Reserve Bank of India (RBI) to achieve higher level of financial inclusion has adopted Business Correspondent Model which is called as a Technology oriented agent bank model to ensure timely credit facilities to the rural people.

3. Results and Discussion

- Table 3 shows the Index Scores of Financial Inclusion in the rural areas of various districts in Tamil Nadu. From the Scores secured from the various districts it is highlighted that Ariyalur District have achieved 64.79 that is, the maximum score of financial inclusion in the rural areas by the year 2015. The district Perambalur has higher (>55) level of financial inclusion. The Districts Sivaganga, Nagapattinam and Pudukottai have above average (between 40.0 to 55) level of financial inclusion. The districts Tiruvarur, Karur, Krishnagiri, Ramanathapuram, Dharmapuri, Thanjavur, Cuddalore, Nammakal, Tuticorin and Villupuram have financial inclusion in rural areas with below average level. And the rest of the districts have very low level of financial inclusion. Tiruppur has secured only 7.93 Index Score of Financial Inclusion. In Tiruppur out of the rural population 3077233 the branch penetration is very less (0.030) in rural areas this increases the penetration level of deposits, Credits and availability of Business Correspondents in rural areas.
- Table 4 has illustrated that the only four districts namely Sivaganga, Perambalur, Pudukottai and Karur has higher level (> 55) of Branch penetration in the rural areas. The three Districts Tiruvarur, Nammakal and Nagapattinam have above average (Between 40.1 and 55.0) of Branch Penetration in Rural areas. For the rest of the districts level of financial inclusion is below average. The Districts Tuticorin, Ramanathapuram,

Table 3. Index of financial inclusion in rural areas of the districts in Tamil Nadu

District Name	Rural Population in the District	Dimension 1: Branch Penetration	Dimension 2: Credit Penetration	Dimension 3: Deposit Penetration	Dimension 4: Business Correspondents	Index of Financial Inclusion (IFI)	Rank
Ariyalur	754894	33.56519	76.67566	100.0228	100.0751	64.79483356	1
Perambalur	565223	77.49061	100	27.94178	53.88449	55.76850678	2
Sivaganga	1339101	100.0424	54.85887	19.78564	41.56466	45.48679993	3
Nagapattinam	1616450	40.02818	32.03555	36.40052	73.65998	43.09113389	4
Pudukottai	1618345	67.51788	55.61848	17.80451	43.27927	42.99529137	5
Tiruvarur	1264277	48.66272	27.63267	19.9142	85.22454	39.78248521	6
Karur	1064493	59.77971	24.59126	39.37885	30.86293	37.23255607	7
Krishnagiri	1879809	23.09028	32.29357	28.17241	65.28505	35.07004518	8
Ramanathapuram	1353445	35.70593	32.2442	10.1148	73.65806	33.86033177	9
Dharmapuri	1506843	16.1176	34.58506	35.37906	49.10129	32.76549254	10
Thanjavur	2405890	30.49511	31.98638	8.393514	63.27418	30.72280972	11
Cuddalore	2605914	17.17007	27.97957	15.27681	55.9452	27.2562993	12
Namakkal	1726601	40.67362	22.96513	11.98109	36.9846	27.24654696	13
Tuticorin	1750176	36.41914	25.80014	0.463176	56.77175	26.98560773	14
Villupuram	3458873	20.3798	26.44995	0.000193	77.63446	25.41923022	15
Tiruchirappalli	2479052	24.52024	44.84261	4.639172	27.17616	23.94651384	16
Virudhunagar	1942288	33.31799	16.88245	3.16399	50.78816	23.91774911	17
Erode	2251744	35.2182	16.82559	19.20129	24.43953	23.59240834	18
Dindigul	2159775	33.83631	22.00464	13.51622	26.24426	23.54696958	19
Tiruvannamalai	2722290	6.079492	14.92692	6.934924	72.26271	20.1736942	20
Tiruvallur	2464875	11.30089	11.1934	6.278252	51.27414	17.97543082	21
Kanyakumari	1870374	17.43469	34.18499	19.46377	0.751679	17.10705772	22
Kancheepuram	3998252	21.5076	4.829152	12.24245	28.69633	16.32780016	23
Madurai	3038252	7.87111	15.29329	18.23664	23.42268	16.01742432	24
Salem	3482056	4.364586	12.61369	15.77465	28.39244	14.8471201	25
Nilgiris	735394	7.024085	2.536349	43.78865	12.22258	14.84092038	26
Coimbatore	3458045	16.36013	5.578707	25.00299	12.98042	14.69471406	27
Tirunelveli	3728104	12.3862	18.41956	6.496488	19.67288	14.08303557	28
Theni	1245899	13.002	8.772005	29.96644	0.029234	12.26452733	29
Vellore	3936331	10.75753	11.41295	1.769886	15.30418	9.675001936	30
Tiruppur	3077233	0.030991	6.68E-07	18.36933	14.87604	7.935542312	31

Erode, Dindigul, Ariyalur, Virudhunagar and Thanjavur have below average level (between 25.0 and 40.0) of Bank Penetration and the rest of the districts have very low level (<25) of Bank Penetration. Tiruppur has secured the least score of Branch penetration out of rural population say 3077233 only 2.76% of bank branches were opened in the year 2015.

- Table 5 shows that the level of credit penetration is said to be above average (> 55) for the four districts namely Perambalur, Ariyalur, Pudukkottai and Sivaganga. The district Tiruchirappalli has above average level of credit penetration (between 40 to 50). The districts Dharmapuri, Kanyakumari, Krishnagiri, Ramanathapuram, Nagapattinam, Thanjavur,

Table 4. Level of branch penetration in the rural areas of the districts in Tamil Nadu

District Name	Rural Population	Number of Bank Branches per 1Lakh Population in Rural Areas	Number of Branch Penetration (Normalized)	Rank
Sivaganga	1339101	9.932036	100.0424	1
Perambalur	565223	8.315302	77.49061	2
Pudukottai	1618345	7.600357	67.51788	3
Karur	1064493	7.045608	59.77971	4
Tiruvavur	1264277	6.248631	48.66272	5
Namakkal	1726601	5.675892	40.67362	6
Nagapattinam	1616450	5.62962	40.02818	7
Tuticorin	1750176	5.370888	36.41914	8
Ramanathapuram	1353445	5.319758	35.70593	9
Erode	2251744	5.284793	35.2182	10
Dindigul	2159775	5.185725	33.83631	11
Ariyalur	754894	5.166288	33.56519	12
Virudhunagar	1942288	5.148567	33.31799	13
Thanjavur	2405890	4.946195	30.49511	14
Tiruchirappalli	2479052	4.517856	24.52024	15
Krishnagiri	1879809	4.415342	23.09028	16
Kancheepuram	3998252	4.30188	21.5076	17
Villupuram	3458873	4.221028	20.3798	18
Kanyakumari	1870374	4.009893	17.43469	19
Cuddalore	2605914	3.990922	17.17007	20
Coimbatore	3458045	3.932858	16.36013	21
Dharmapuri	1506843	3.915471	16.1176	22
Theni	1245899	3.692113	13.002	23
Tirunelveli	3728104	3.647967	12.3862	24
Tiruvallur	2464875	3.570161	11.30089	25
Vellore	3936331	3.531207	10.75753	26
Madurai	3038252	3.32428	7.87111	27
Nilgiris	735394	3.263557	7.024085	28
Thiruvannamalai	2722290	3.195839	6.079492	29
Salem	3482056	3.072897	4.364586	30
Tiruppur	3077233	2.762222	0.030991	31

Cuddalore, Tiruvavur, Villupuram and Tuticorin have below average and the rest of the districts have very low level of credit penetration in the rural areas. Tiruppur has secured the least score of Credit penetration out of rural population say 3077233 only 0.000000668 % of credit facilities given to the rural areas in the year 2015.

Table 5. Level of credit penetration in the rural areas of Districts in Tamil Nadu

District Name	Rural Population	Number of Loan Accounts per 1Lakh population in rural areas	Loan Accounts (Normalized)	Rank
Perambalur	565223	35725.9	100	1
Ariyalur	754894	28498.31	76.67566	2
Pudukottai	1618345	21973.25	55.61848	3
Sivaganga	1339101	21737.87	54.85887	4
Tiruchirappalli	2479052	18634.1	44.84261	5
Dharmapuri	1506843	15455.56	34.58506	6
Kanyakumari	1870374	15331.59	34.18499	7
Krishnagiri	1879809	14745.49	32.29357	8
Ramanathapuram	1353445	14730.19	32.2442	9
Nagapattinam	1616450	14665.53	32.03555	10
Thanjavur	2405890	14650.3	31.98638	11
Cuddalore	2605914	13408.69	27.97957	12
Tiruvavur	1264277	13301.2	27.63267	13
Villupuram	3458873	12934.7	26.44995	14
Tuticorin	1750176	12733.35	25.80014	15
Karur	1064493	12358.75	24.59126	16
Namakkal	1726601	11854.85	22.96513	17
Dindigul	2159775	11557.22	22.00464	18
Tirunelveli	3728104	10446.3	18.41956	19
Virudhunagar	1942288	9969.994	16.88245	20
Erode	2251744	9952.375	16.82559	21
Madurai	3038252	9477.555	15.29329	22
Thiruvannamalai	2722290	9364.028	14.92692	23
Salem	3482056	8647.219	12.61369	24
Vellore	3936331	8275.143	11.41295	25
Tiruvallur	2464875	8207.11	11.1934	26
Theni	1245899	7456.784	8.772005	27
Coimbatore	3458045	6467.267	5.578707	28
Kancheepuram	3998252	6235	4.829152	29
Nilgiris	735394	5524.522	2.536349	30
Tiruppur	3077233	4738.575	0.000000668	31

- Table 6 shows that the district Ariyalur has scored 1st Rank and achieved maximum level of deposit penetration (100.0228). The Nilgiris district has deposit penetration at a level of above average (between 40 and 50). The districts Karur, Nagapattinam, Dharmapuri, Theni, Krishnagiri, Perambalur and Coimbatore have

Table 6. Level of deposit penetration in the rural areas of Districts in Tamil Nadu

District Name	Rural Population	Number of Deposit Accounts per 1Lakh Population in rural areas	Deposit Penetration (Normalized)	Rank
Ariyalur	754894	37.06335	100.0228	1
Nilgiris	735394	16.44792	43.78865	2
Karur	1064493	14.83129	39.37885	3
Nagapattinam	1616450	13.73943	36.40052	4
Dharmapuri	1506843	13.36496	35.37906	5
Theni	1245899	11.3807	29.96644	6
Krishnagiri	1879809	10.723	28.17241	7
Perambalur	565223	10.63846	27.94178	8
Coimbatore	3458045	9.561096	25.00299	9
Tiruvarur	1264277	7.695545	19.9142	10
Sivaganga	1339101	7.648415	19.78564	11
Kanyakumari	1870374	7.530419	19.46377	12
Erode	2251744	7.434193	19.20129	13
Tiruppur	3077233	7.129197	18.36933	14
Madurai	3038252	7.080552	18.23664	15
Pudukottai	1618345	6.922133	17.80451	16
Salem	3482056	6.177988	15.77465	17
Cuddalore	2605914	5.995478	15.27681	18
Dindigul	2159775	5.350048	13.51622	19
Kancheepuram	3998252	4.883084	12.24245	20
Namakkal	1726601	4.787267	11.98109	21
Ramanathapuram	1353445	4.103085	10.1148	22
Thanjavur	2405890	3.472062	8.393514	23
Thiruvannamalai	2722290	2.937343	6.934924	24
Tirunelveli	3728104	2.776612	6.496488	25
Tiruvallur	2464875	2.696607	6.278252	26
Tiruchirappalli	2479052	2.09572	4.639172	27
Virudhunagar	1942288	1.554919	3.16399	28
Vellore	3936331	1.04384	1.769886	29
Tuticorin	1750176	0.5648	0.463176	30
Villupuram	3458873	0.395071	0.000193	31

deposit penetration at a below average level (between 25 to 40). The rest of the districts have very low level of deposits penetration in their rural areas. Villupuram is seen with very low level of deposit penetration say 0.000193 % in rural areas.

- Table 7 has illustrated that the districts such as Ariyalur, Tiruvarur, Villupuram, Nagapattinam, Ramanathapuram, Thiruvannamalai, Krishnagiri, Thanjavur, Tuticorin, Cuddalore, Perambalur, Tiruvarllur and Viruthunagar has maximum availability (> 55) of Business Correspondents in the rural areas. Availability of Business Correspondents are said to be above average (between 40.1 and 50.0) in

Table 7. Availability of business correspondents in the rural areas of the districts in Tamil Nadu

District Name	Rural Population	Number of Business Correspondent per 1Lakh Population in Rural Areas	Business Correspondent (Normalized)	Rank
Ariyalur	754894	26.62625481	100.0751147	1
Tiruvarur	1264277	23.41259075	85.22454137	2
Villupuram	3458873	21.77009679	77.63445837	3
Nagapattinam	1616450	20.91001887	73.65997629	4
Ramanathapuram	1353445	20.90960475	73.65806261	5
Thiruvannamalai	2722290	20.60765018	72.26270877	6
Krishnagiri	1879809	19.09768492	65.28505048	7
Thanjavur	2405890	18.66253237	63.27417915	8
Tuticorin	1750176	17.25540746	56.77175349	9
Cuddalore	2605914	17.07654205	55.94520356	10
Perambalur	565223	16.6306042	53.88449262	11
Tiruvallur	2464875	16.06572341	51.27413777	12
Virudhunagar	1942288	15.96055786	50.78816015	13
Dharmapuri	1506843	15.5955199	49.10129346	14
Pudukottai	1618345	14.33563301	43.27926529	15
Sivaganga	1339101	13.96459266	41.56466111	16
Namakkal	1726601	12.97346637	36.98459503	17
Karur	1064493	11.64873794	30.8629295	18
Kancheepuram	3998252	11.17988561	28.69632907	19
Salem	3482056	11.11412338	28.39243706	20
Tiruchirappalli	2479052	10.85092205	27.17616472	21
Dindigul	2159775	10.64925745	26.24425807	22
Erode	2251744	10.25871502	24.43953338	23
Madurai	3038252	10.03866697	23.42267546	24
Tirunelveli	3728104	9.2272104	19.67287615	25
Vellore	3936331	8.281823861	15.30417681	26
Tiruppur	3077233	8.189175145	14.87604041	27
Coimbatore	3458045	7.778961812	12.98041503	28
Nilgiris	735394	7.614965583	12.22257663	29
Kanyakumari	1870374	5.132663307	0.751678867	30
Theni	1245899	4.976326331	0.029234434	31

the Districts Dharmapuri, Pudukottai and Sivaganga. The districts Nammakal, Karur, Kancheepuram, Salem, Tiruchirappalli and Dindigul have the availability of Business Correspondents at a below average level. The rest of the districts have below average and less availability of Business Correspondent in Rural areas. The District Theni has Very less percentage (0.029) of Business Correspondents availability in rural areas.

4. Conclusion

Financial Inclusion is the roadmap to bring the rural people from the unbanked and unreached segments in the society into the formal financial system. The Government of India has extracted diverse step to improve the status of financial inclusion in our society. But the rural areas of all the districts in every states of our country have to be taken for in-depth consideration. As per the CRISIL Report of financial inclusion in 2013 all the districts of Tamil Nadu have higher and above average level of financial inclusion. But this study has founded that when the status of financial inclusion in rural part of the districts in Tamil Nadu were considered only two districts namely Ariyalur (64.79) and Perambalur (55.7) has higher level of financial inclusion and three districts namely Sivaganga (45.48), Nagapattinam (43.09), Pudukkottai (42.99) has above average level of financial inclusion. And the rest of the districts have below average and very low level of financial inclusion. Therefore the Government and the concern authorities of banking industries should observe those rural areas to accelerate financial services for the rural poor and make them to get an access of banking services and products at a reasonable cost.

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