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Articles

- **Retail Credit: Emerging Sweet Spot in Banking**
  – B V Chaubal & Sarita Bhatnagar

  Retail banking is emerging as a promising growth avenue for the banking sector in India. The article discusses factors leading to growth, industry perspectives, and strategies for the sector in the present context. A growing economy, higher disposable income with masses, and banks' deliberate shift to retail credit seem to positively influence the retail segment growth. Competition, consumer behaviour, technology and service initiatives reshaping the retail banking scenario are highlighted. This segment is going to be the future for all types of banks, be it public, private, cooperative or foreign. The challenges to capitalize and gain customer share in this segment are investigated.

- **Establishment of National Company Law Tribunal for Rehabilitation of Sick Companies: A New Era Begins**
  – V S Kaveri

  As part of 'Ease of Doing Business in India', the Government of India has taken one more initiative by setting up the National Company Law Tribunal (NCLT) in June 2016 for speedy disposal of proposals for rehabilitation and winding up of sick companies. At present, the Board for Industrial Finance and Reconstruction (BIFR) deals with such matters under the Sick Industrial Companies Act (SICA) which experiences several difficulties for revival of sick companies due to inadequate powers, lack of cooperation from the concerned parties, and legal hurdles on account of multiple laws. The overall performance of the BIFR is far from satisfactory. To overcome deficiencies of the BIFR, NCLT is considered as a single window for providing the required clearances for financial reconstruction, merger, takeover, etc. for rehabilitation of sickness and as a more effective body for early and result-oriented rehabilitation and winding up of sick companies with its institutional unique arrangements. The article attempts to guide bankers to develop a fair understanding of the process of rehabilitation and winding up of sick companies under a new environment and offers suggestions for creating a conducive environment for revival of the industrial economy.

- **Performance Analysis of Cooperative Banks**
  A Case Study of Nagaland State Cooperative Bank Ltd.
  – Sankar Thappa & B Imsunungsang

  In general, a bank is an institution as well as an intermediary which accepts deposits from customers and allocates those deposits into lending activities, either directly by loaning or indirectly. The bank connects the people that have capital deficits and people with capital surpluses. As per Section 5(b) of the Banking Regulation Act 1949, banking means accepting, for the purpose of lending or investment, deposits of money from the public, repayable on demand or otherwise, and withdrawal by cheque, draft, order, or otherwise. The following paper presents a performance analysis of a cooperative bank.

- **Financial Literacy and Dalit Women: A Study in Virudhunagar District**
  – A Sujatha

  Financial literacy is "the combination of consumers' understanding of financial products, concepts, their ability and confidence to appreciate financial risks and opportunities to make informed choices to know where to go for help and to take other effective actions to improve their financial well-being". Financial literacy represents the ability to grow, monitor, and effectively use financial resources to enhance the well-being and economic security of oneself, one's family, and one's business. Recognising the need for financial literacy, many countries, both developed and developing, have launched financial literacy programmes for their people.

Financial literacy has grown as a result of the increasing complexity of financial products and services and concerns that many people do not have the necessary financial skills to make informed choices. The concept of financial literacy is essentially spreading the knowledge of good money management practices. It compasses all monetary transactions that a person enters into such as earnings, spending, saving, borrowing and investing. Financial literacy is a process of making meaning of, and understanding, financial issues and situations.

Lack of financial literacy is often tied to lack of access to financial products (or) failure to use them even when they are available. Women face challenges and barriers that make it difficult for them to be financially prepared for the future. Financial literacy is important for women because nearly 90% of all women will end up managing their financial portfolio alone at some time in their life. Women do not take responsibility for financial issues until times of personal change in their lives such as divorce or death. In Virudhunagar, the total population of women is 9,75,872 and the average Dalit women rate is 5%. Even though they are the breadwinners of the family, their income is not sufficient to lead a normal day-to-day life. They are struggling to fulfill their needs. Virudhunagar district is an industrial city. Most of the the women are working in the fireworks, match and printing industries. They do not have a habit of saving, and majority of the women tend to close their Provident Fund account also to meet their daily challenges.

There are about 250 million Dalits in India. There has been meagre improvement in the socio-economic conditions of Dalits in the past 50 years. Every fourth Indian is a Dalit. They are generally scattered in villages and are not a monogamous group. About 75% of Dalits live below the poverty line. Economic backwardness of Dalits is mostly due to injustice done to them by the high castes and also due to exploitation. From time immemorial they have worked like slaves and sold as commodities, resulting in their social discrimination, economic deprivation and educational backwardness.

Financial literacy among Dalit women becomes an important part of this process, regardless of the income bracket to which they belong. There needs to be a better understanding of opportunities for income generation and the associated risks and costs involved. This is particularly important in India, where rapid economic and financial transformation is now taking place. The present study makes an attempt to evaluate the financial literacy of Dalit women in Virudhunagar district.