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- **A Growth Agenda for Banks in Challenging Times**

– *Shubhalakshmi Panse*

The banking industry has been going through challenging times. However, banks need to ensure healthy growth and profitability despite the tough times. An agenda for growth initiatives that can help banks grow in challenging times has become essential more than ever. The regulatory changes can be used by banks to improve the portfolio and operational processes while the capacity building approaches can help banks make appropriate utilization of the talented manpower working in the banks. While non-performing assets are a part of banking, the credit growth needs to be sustained while ensuring that the asset quality does not deteriorate. Technology needs to be leveraged in a way that it gives a boost to the return on investment.

- **Emergence of Payments Banks in India: Complementary or Supplementary to Commercial Banks**

– *Pradeep Kumar Pattnaik & Bibekananda Panda*

The Payments System in India has been showing major shifts with digital payments witnessing an exponential growth. Banks are increasingly aware of the threat from FinTech disruptors. Given the second highest mobile subscriber base in the world, India has the huge potential to penetrate the financial market through mobile technology that offer the cheapest mode of banking. The newly operational payments banks understand the nitty-gritty of the sector as they are not very new to the industry given that they are already catering one of the additional services that they have expertise in. Nonetheless, these new payments banks are entering into a mature and troubled sector though growing in nature. Hence they need to withstand tremendous pressure of competition. For their survival and prosperity they need to focus on identifying revenue opportunities from adjacent financial and non-financial services by leveraging digital banking channels. The paucity of information on financial details of these new entities makes it cumbersome to make meaningful quantitative analysis on their business prospects and viability. However, to assess the present situation, this study has made an attempt to discuss some of the questions on the operational and viability competence of both existing commercial banks as well as newly licensed payments banks. Strategic tie-ups between the commercial banks and PBs would bring a win-win situation for both and would be able to cater to the mass unbanked Indian population with the aid of latest low cost FinTech evolutions.

- **Financial Inclusion: Case for Health Care**

– *Shiv Bajrang Singh & Ritisha Singh*

Financial inclusion proffers the availability of opportunities to access basic financial services across all sections of the society at affordable cost, which in India can be traced back to late sixties with the introduction of Priority Sector followed by nationalization of major commercial banks of the country in 1969 and 1980 coupled with establishment of Regional Rural Banks in 1975. Lead Bank Scheme was also introduced in 1969 for coordinating the activities of banks and other developmental agencies for increasing flow of priority sector credit in the semi-urban and rural areas, which was further strengthened by introducing Service Area Approach in 1989, for balanced development. Introduction of Self Help Group has further revolutionized the lending to the poor both in rural and urban areas. The most concerted effort in financial inclusion has been through Pradhan Mantri Jan Dhan Yojana (PMJDY) and Gram Swaraj Abhiyan, where financially excluded have not only been included in the banking mainstream

but also social security through Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Atal Pension Yojana (APY) has been extended.

Poverty and poor health are normally the causes and consequences for each other. Poverty inhibits development due to low investment potential but does not make worse of whereas illness not only inhibits growth but also makes the sufferers poorer due to poor physical and mental growth, expenses on health care and loss of wages sometimes coupled with erosion of capital and further indebtedness. Therefore, health care must also be made part of financial inclusion.

- **Analyzing Income Diversification Relationship for Indian Banks based on Ownership and Size**

– *Shital Mittal & Lubza Nihar*

The purpose of this paper is to study empirically the relationship of Indian Scheduled Commercial Banks (SCB's), Ownership and Size with Income Diversification, Bank Profitability, Bank Performance, Asset Quality and Operational Risk, focus being primarily on Income Diversification. We compare if there is any significant difference between the banks based on Ownership i.e. Private Sector Banks and Public Sector Banks. Also we compare the banks based on Size i.e. Large Banks and Small Banks. We consider the Indian Banks for this study over the period 2004-2005 to 2016-2017. When we observe banks based on Ownership, we find that there is significant difference between Private Sector Banks and Public Sector Banks in terms of Income Diversification, Asset Quality and Bank Profitability. When we observe banks based on Size, we see that though there is a difference in terms of Income Diversification and Bank Profitability between Large Banks and Small Banks, but this difference is not pronounced.