# ROLE OF BANK OF MAHARASHTRA IN PROMOTING FINANCIAL INCLUSION IN INDIA

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# Abstract:

Bank of Maharashtra is the premier bank of Maharashtra, known as a common man's bank since inception, its initial help to small units has given birth to many of today's industrial houses The Bank has the largest network of branches by any Public sector bank in the state of Maharashtra. The Bank was founded by a group of visionaries led by the Late V. G. Kale and the Late D. K. Sathe and registered as Banking Company on 16 September, 1935 at Pune. Today, Bank of Maharashtra has over 12 million customers across the length and breadth of the country served through 1577 branches in 23 states and 2 union territories As on 30.09.2011 Bank has 1564 Branches in all over India.

Key Words: Role of Bank of Maharashtra, Promoting Financial Inclusion in India

# **Introduction:**

Bank of Maharashtra is a nationalized, premier bank of Maharashtra, operating in the country, registered on 16th Sept 1935 with an authorized capital of Rs 10.00 lakh and commenced business on 8th Feb 1936.

Known as a common man's bank since inception its initial help to small units has given birth to many of today's industrial houses. After nationalization in 1969, the bank expanded rapidly. It now has 1375 branches (as of 31 March 2008) all over India. The Bank has the largest network of branches by any Public sector bank in the state of Maharashtra. The Bank was founded by a group of visionaries led by the Late V. G. Kale and the Late D. K. Sathe

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The Bank attained autonomous status in 1998. It helps in giving more and more services with simplified procedures without intervention of Government.

Bank is the convener of State level Bankers committee. Bank offers Depository services and Demat facilities at 131 branches. Bank has a tie up with LIC of India and United India Insurance Company for sale of Insurance policies. All the branches of the Bank are fully computerized. All Employees, posted in South Ex branch are doing excellent work for Bank.

Its logo is made of the following items:

- The DEEPMAL-with it's many lights rising to greater heights.
- The PILLAR-our institution symbolizing strength.
- The diyas- branches symbolizing services.
- The three M's symbolizing --mobilization of money --modernization of methods and motivation of staff (Refer01)

# **Theoretical Background:**

The Reserve Bank of India (RBI) advised the State Level Bankers Committee (SLBC) of all States / Union Territories to prepare a Road Map of Villages with population more than 2000 to provide banking services through banking outlets. Accordingly, all SLBCs submitted the Road Map to RBI before March 31, 2010. The original target date of achieving the target was March 31, 2011 which was extended to March 31, 2012. The RBI, Central Office, RPCD, Mumbai, is monitoring the progress in opening of banking outlets in respect of these villages based on quarterly reports submitted by SLBCs.

As per the Central Office Statement for the position as on June 30, 2011, all banks together had opened banking outlets in 32,144 villages (43 per cent) as against the total of 74,386 villages included in the Road Map of villages with more than 2000 population. Of which, branches were opened in 809 villages and Business Correspondents (BCs) model

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banking outlets were opened in 30,882 villages. Remaining 453 accounted for banking outlets opened under others category

As per the RBI, RPCD, Central Office Statement, Maharashtra State was the sixth top most achiever in implementing financial inclusion in 1910 villages as against the total of 4292 identified villages in the Road Map of Villages with population more than 2000.Of which, BC model banking outlets had been implemented in 1878 villages. As per the information available with SLBC, Maharashtra, as on March 31, 2011, the banks could implement financial inclusion in 1,692 villages as against the target of 2,742 villages fixed for 2010-11 thus achieving 62 per cent of the target. Of which, BC Model was implemented in 1666 villages, branches were opened in 20 villages and six villages were covered under other models. In the last quarter of 2010-11, financial inclusion was implemented in 800 villages thus accounting for approximately 50 per cent of the target. Also, the bank-wise analysis of SLBC, Maharashtra data revealed that 'Bank of Maharashtra' was one of the top most achiever with 108 per cent of the target for 2010-11 and Central Bank of India was one of the low performing banks with 31 per cent achievement

# Research:

Maharashtra state ranks IInd in the Index of Financial Inclusion (IFI).' Bank of Maharashtra' is a premier bank in Maharashtra and occupies the fundamental position as 'lead bank'in - Aurangabad, Jalna, Nashik Satara, and Thane. (Refer 02)

With its roots in Maharashtra, Bank of Maharashtra (BOM) have expanded over the years, have a pan- Indian presence and are recognized well for their social commitments. The Bank has stepped into its 75th year of service, with a total business of over Rs. 104,000 crore, having 13 million customers and network of 1457 CBS branches.

In the whole gamut of "inclusive growth" process, financial inclusion constitutes an important corner stone to reach out to "excluded" section of the society, the 'Aam admi', particularly the poor people, the people in unorganized sector, in rural areas, which are not catered to by formal financial institutions, especially banks and Financial Institutions and this requires a high level of penetration. With the experience gathered over last seven and a half decades, Bank of Maharastra can and will play a definite catalytic role in stimulating the commercial ties between the financial services and the people who need them.

# **Findings:**

The Bank has done well to complete networking and interconnectivity of all its branches across India through core banking solutions (CBS). They have been participating in our endeavor to promote financial inclusion with measures like 'No Frill Accounts', 'simplified account opening', 'KYC Procedure', apart from meeting Priority Sector targets. With over 54 per cent of the branches located in rural and semi-urban areas,

The Bank has set up a Trust viz. Mahabank Agricultural Research and Rural Development Foundation (MARDEF), for providing Credit Plus services to the farmers; their Gramin Mahila via Balak Vikas Mandal (GMBVM) Trust would also help in forming, nurturing, training and linkage of self-help groups.

25000 Self Help Groups are being financed making it a total of more than 75000 SHGs financed by them. Today, the Bank has adopted 75 more backward villages for an integrated development for basic infrastructure in sanitation, healthcare, education, energy and water conservation in these villages. (Refer 02)

## **Suggestions:**

Bank of Maharashtra is the common man's bank; it can understand the needs of common person's. Financial Inclusion is a path to overcome the virus of poverty, which is engulfing the rural population There is no doubt that, the bank can be an important catalyst of growth in the rural sector.

### **Conclusion:**

The Bank of common person's (Bank of Maharashtra) is in the very best pursuit of 100 percent financial inclusion and can definitely take a place of pride in the Indian Banking landscape.

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