REGIONAL DISPARITIES IN REACH OF 
BANKING SERVICES IN INDIA

DR.K.APARNA*

*Assistant Professor, Department of Business Management, 
Telangana University, Nizamabad, A.P.

ABSTRACT

Indian economy has been experiencing a significant growth rate during the Five Year plan periods. The average compound growth per annum was 5.7 percent during the Sixth Five Year Plan (1980-85), 6.0 per cent during the Seventh Plan (1985-90), 6.6 per cent during the Eighth Plan (1992-97), 5.5 per cent during the Ninth Plan (1997-02) and 7.80 per cent during the Tenth Plan (2002-07). Along with faster economic growth and reduction in poverty, there has been accelerated improvement in various indicators of human development. The banking industry in India has shown tremendous growth in volume and complexity during the last few decades. In spite of tremendous growth, Substantial level of regional disparities could be seen in the aspect of expansion of bank network. An attempt has made in the present paper to identify the regions which are under-banked and to measure the regional level disparity in reach of banking services. The under-banked regions are identified based on population per bank branch. To measure the regional level disparity, three variables were selected. They are number of demand deposit accounts per 100 population, population per bank branch and literacy rate. Manipur is the least banked state whereas Chandigarh is the most banked state.

KEYWORDS: Banks, Banking Services, Bank reach score and Regional Disparities.