July – September, 2024
Volume LIII
Number 2

Editorial

I am happy to present the July-September 2024 (Vol LIII No. 2) issue of Prajnan. In this issue, we offer five full length articles. The topics cover a range of subjects like financial inclusion in India, bank ownership and credit growth, access to finance for informal manufacturing firms, gender-inclusive self-efficacy, and bibliometric analysis of digital payments security.

The first paper is entitled **Financial Exclusion in India: Causes and Remedies**. It is written by Ashutosh Upadhyay and Kalluru Siva Reddy. It begins with a comparative analysis of financial inclusion in India, vis-a-vis countries like Brazil, China, USA, and Sweden. The study is based on parameters like account ownership, card ownership, inactive accounts, digital payments, and borrowing from financial institutions, between 2011 and 2021, from World Bank's Global Findex database. It finds that despite the sharp overall improvement made by India during this period, it lags behind the reference countries in several respects. The article analyses the reasons for such financial exclusion and proposes a few solutions. It should be useful to researchers and policymakers in this important domain.

The second article is on **Bank Ownership Dynamics: Unravelling the Impact on Credit Growth through Bank-Specific Variables**. The author, Anjali Saini, investigates the impact of bank-specific variables like size, asset quality, liquidity, and capital adequacy on credit growth. In this study, bank ownership plays a significant role as a determinant of credit growth through its influence on asset quality and size. Though public sector banks exhibit lower credit growth on an average, the larger and riskier ones display faster increase in credit. The results raise serious questions on moral hazard incentives created by government bailout guarantees. The paper also shows why larger banks often attract capital surcharges.

The third one is on **Fostering Gender-Inclusive Entrepreneurial Self-Efficacy: Exploring the Influence of Entrepreneurial Culture and Education among Management Students in Odisha**. In this study, A. Chiranjibi Rambabu Achary, Subhasish Das, and Jeeban Jyoti Mohanty examine the entrepreneurial self-efficacy (ESE) of management students, which is influenced by entrepreneurial culture, education, and gender dynamics. The paper also underscores the necessity of tailored interventions to address gender-specific challenges. It contributes to a better appreciation of the factors which affect entrepreneurial success.

The fourth article is entitled **Access to Finance within Informal Manufacturing Enterprises and Its Impact on Their Business: Evidence from Assam, India**. This study by Alok Ranjan Dutta aims to quantify the level of financial access among firms in the informal manufacturing sector. Furthermore, it evaluates how the accessibility of financial services affects their businesses. The extent of financial access is measured with the help of a financial access index. The results reveal that informal manufacturing firms have limited access to financial services. Moreover, the extent of financial access has a mixed effect on the business of these firms.

The final paper is **A Bibliometric and Visualised Analysis of Digital Payment Security 2004-23**. The authors, Priya Langan and Sandeep Aggarwal, aim to analyse the publication trends in digital payment security over the last two decades, across several countries, authors, journals, and affiliations through bibliometric methods. In addition, scientific mapping techniques are employed to understand the interrelationships among research components. The study indicates that India is behind its regional counterparts in terms of research on digital payment security, despite steady progress over the years. It highlights the need for improving cooperation between Indian academic institutions and their overseas counterparts.

We invite original research articles in all areas of banking and finance. Please submit your papers, comments and suggestions to editor_prajnan@nibmindia.org.

With warm regards,

Dr Sanjay Basu
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Financial Exclusion in India: Causes and Remedies

Ashutosh Upadhyay
Kalluru Siva Reddy

This paper compares the position of financial exclusion in India, Brazil, China, USA, and Sweden on the parameters of account ownership, card ownership, inactive accounts, digital payments, and borrowing from financial institutions, from 2011 to 2021, by utilising the Global Findex database. It is found that though India registered a remarkable improvement, its performance is poorer than the other four countries in per capita terms. Major causes of financial exclusion are long distances from banks, inconvenience in using banking services, high costs, low trust, lack of requirement of banking services, rigid documentation, and religious considerations. Gender and education are identified as two major barriers to financial inclusion. India also had more inactive accounts than other countries, for reasons such as insufficient funds, distance, and lack of trust/convenience in using bank accounts. The paper also discusses remedies for financial exclusion and identifies digital payments and 'small accounts' as effective tools to reduce financial exclusion.

Bank Ownership Dynamics: Unravelling the Impact on Credit Growth through Bank-Specific Variables

Anjali Saini

This study investigates the impact of bank ownership on credit growth, emphasising bank-specific variables like size, asset quality, liquidity, and capital adequacy. Our findings reveal a significant role of ownership structure in shaping lending behaviour, with higher NPAs negatively affecting credit growth, particularly in private sector banks. Public sector banks, potentially benefitting from government support, exhibit a more muted response to credit risk. Larger banks, especially in the public sector, show increased lending with size, possibly due to perceived government safety nets. Liquidity positively correlates with credit growth, irrespective of ownership. Surprisingly, the capital adequacy ratio does not significantly influence credit growth. Public sector banks, on average, exhibit lower credit growth, primarily attributed to a surge in NPAs. Overall, ownership structure significantly influences credit growth through key bank-specific variables, notably asset quality and size.

Fostering Gender-Inclusive Entrepreneurial Self-Efficacy: Exploring the Influence of Entrepreneurial Culture and Education among Management Students in Odisha

A Chiranjibi Rambabu Achary
Subhasish Das
Jeeban Jyoti Mohanty

Entrepreneurship is a cornerstone of economic development and it requires a conducive environment and empowered individuals. This study focuses on management students, assessing their entrepreneurial self-efficacy (ESE) influenced by entrepreneurial culture, education, and gender dynamics. Entrepreneurial culture, encompassing societal attitudes towards entrepreneurship, and education that equips students with requisite skills and mindset are pivotal in shaping ESE. Gender-specific disparities persist, warranting tailored support for female entrepreneurs. Employing a mixed-methods approach, the study conducts comprehensive surveys and qualitative interviews with management students. This

triangulated data provides a holistic view of the impact of hand-holding support, Atal Community Innovation Centre, and the 'Startup Odisha' initiatives on students' ESE. The study's novelty lies in its multifaceted examination of these factors, with a specific focus on gender-based analysis. Additionally, the research introduces a unique context by emphasising the specific initiatives and their influence. The gender-focused analysis further contributes to the novelty, shedding light on unexplored disparities in this specific context. The findings underscore the significance of entrepreneurial culture, education, and targeted support in boosting ESE. Moreover, the study underscores the necessity of tailored interventions to address gender-specific challenges, offering valuable insights for enhancing entrepreneurship programmes. Overall, this research provides a nuanced understanding of the intricate relationships between entrepreneurial culture, education, gender, and ESE in the realm of management education, contributing to a broader comprehension of factors influencing entrepreneurial success.

Access to Finance within Informal Manufacturing Enterprises and Its Impact on Their Business: Evidence from Assam, India

Alok Ranjan Dutta

This study aims to quantify the level of financial access among firms in the informal manufacturing sector and subsequently evaluate how the accessibility of financial services affects these enterprises' business. It uses primary data from a survey of 205 unregistered or un-organised manufacturing enterprises from the Indian state of Assam. The extent of financial access is measured with the help of a financial access index. We have employed multiple regression and a multinomial logit regression model to examine the effect of the extent of financial access on the business of the sample firms. Findings reveal that informal manufacturing firms have limited access to financial services. Further, evidence suggests that the extent of financial access has a mixed effect on the business of the informal manufacturing firms of the state. The results depend on which measure of business performance one is looking at.

A Bibliometric and Visualised Analysis of Digital Payment Security 2004-23

Priya Langan
Sandeep Aggarwal

This study aims to analyse the publication trends in digital payment security from 2004 to 2023, exploring influential countries, authors, journals, and affiliations through bibliometric methods. Additionally, it discusses the scientific mapping techniques employed to understand the interrelationships among research components. Out of 585 studied included from scopus database, 176 publication in 2022 highlights the importance of exploring the digital payment secutrity framework. Despite being drawn from a single database, this study can be seen as a comprehensive starting point of research for bibliometric analysis of digital payment security.