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EDITORIAL

DIGITAL FINANCIAL INCLUSION IN INDIA

The Digital Financial Inclusion extends formal financial services, to the excluded and underserved population, through digital access. Digital transaction platform refers to mobile phones, personal computers and related devices. Innovative digital financial services via mobile phones and similar devices, encourage millions of poor customers to use digital financial services rather than cash-based transactions. The process of digital financial inclusion begins with the assumption that the excluded or remotely placed population need some sort of formal bank accounts and digital access enables them to enjoy this facility of basic financial transactions. An effective digital financial inclusion program should be designed to meet the needs of the excluded population, at a cost, that is sustainable to providers and affordable to customers.

Digital financial inclusion promises to help banks lower the costs by reducing the queues in banking halls, manual paper work, and maintaining fewer bank branches. The depositors can easily switch banks within minutes, forcing banks to provide quality services. It can improve the welfare of individuals and businesses, that have a reliable digital platform with which to access funds in their bank accounts and carry out financial transactions. Digital financial inclusion provides convenient and secure banking services to poor individuals, boosts the GDP of digitalised economies by increasing aggregate expenditure, reduces the circulation of bad or fake money, and enhances greater control of customers' personal finance helps quick financial decision-making, and enhances the ability to make and receive payments within seconds and generates revenue to digital finance providers.

Digital finance service relies excessively on internet connectivity, which excludes individuals who do not have internet connectivity. Further, digital data security breaches are common and can lower customers' trust in digital finance platforms. Many policy and regulatory norms hamper full scale digital finance.

The Twenty Ninth Issue (Vol.15 No.1) of the SMART Journal of Business Management Studies consists of eight articles, written by authors of repute, on different themes of contemporary relevance. I hope readers would find the Journal academically challenging and strategically stimulating.

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