

“Role and Significance of Financial Institutions in Economic Development of Weaker Section”

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Economic development is utmost significance to all types of economies whether underdeveloped, developing or even developed. But economic development is necessary for underdevelopment countries because they can solve the problems of those sections of society who are plagued with general poverty, unemployment, ignorance, backwardness and low standard of living. These sections of society are known as weaker sections of the society. A large number of population is living below the poverty line and it has no sufficient income even to meet the necessities of life. In underdevelopment countries there have been growing inequalities of income and wealth. Various studies have indicated that in underdevelopment countries the condition of the economy is that except less privileged class about 40 percent of population remained in detreated condition. Therefore, low percapita income has become the common characteristics of underdeveloped economy.