Research Article

Financial Inclusion and Related Matters: A State-Level Comparison

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Financial inclusion is a tool to offer banking services and financial solutions to every individual in society without discrimination. It focuses on including the economically backward sections of society in the country's economic process with no signs of inequality. Availability, accessibility, affordability and adequacy of financial institutions and services in all parts of the country and people's awareness of these resources are critical to financial inclusion. The Government of India, the Reserve Bank of India, and the National Bank for Agriculture and Rural Development have commendable policies and programmes to make financial inclusion a reality. This study analysed secondary data to understand the status of financial inclusion and its variables in Indian states. Apart from providing financial awareness and financial services, promoting income and savings is also crucial in achieving financial inclusion and stability.

INTRODUCTION

Financial inclusion is one of the most discussed topics among policymakers, academics, researchers, development practitioners, private sector enterprises and bankers. It is noteworthy that developing countries face severe obstacles in the inclusion process. Financial inclusion becomes a key concept when considering an inclusive development process. It broadens the resource base of the country so that the country can march forward in its development process. More broadly, it embraces all those excluded from the mainstream economy, fosters a sense of economic security and helps uplift the marginalised. Also, the inclusion of the marginalised in the mainstream economy can realise a better productive economy with a more substantial monetary base through transparency and accountability in financial transactions and easier credit creation and disbursement. Therefore, financial inclusion is essential to achieve the sustainable goal of poverty reduction as defined by the United Nations Development Programme.

The relationship between financial inclusion and economic growth is two-sided. Economic growth expands financial inclusion; on the other hand, financial inclusion is the engine of inclusive growth. Moreover, a country's economic inclusion and human development levels move closer to each other, where factors such as income, literacy, equality, information and connectivity matter (Sarma and Pais, 2011). Kumari (2022) also drew a positive correlation between human development and financial inclusion, which apparently contributes to the country's economic development. Besides poverty alleviation and economic growth, financial inclusion contributes to social cohesion (Bhattacharya, 2020).

Financial inclusion means providing affordable services and products to the citizens and serving the large proportion of the population who remained financially not served by financial intermediaries to ensure equal distribution of resources. It helps the poor, underprivileged and women of society to make them self-sufficient and well-informed to make better financial decisions (Bhattacharya, 2020). A strong institutional service is an important prerequisite for universal financial inclusion. On the other hand, financial inclusion will culminate in a widespread institutional service delivery system. Therefore, the five A's of financial inclusion are availability, accessibility, affordability, adequacy of financial institutions and services, and people's awareness of them (Kaur, Kaur and Madan, 2017). People cannot accept formal payments online or offline without having an account with any financial institution. Therefore,

financially excluded people rely on moneylenders, borrow at exorbitant interest rates and fall into debt (Bhattacharya, 2020). However, the population of unbanked adults is around 1.4 billion globally, and 17% live in India (Demirgüç-Kunt *et al.*, 2022). Women, adults outside the labour market, less educated and poor adults are more likely to be unbanked. Also, people remain unbanked because of the distance to financial institutions and the cost of accounts (Demirgüc-Kunt *et al.*, 2022).

India is vigorously building a solid financial base to include most of its population in financial services. Bank account ownership in India has increased over the past decade from 35% in 2011 to 78% in 2021 (Demirgüç-Kunt *et al.*, 2022). Also, with Pradhan Mantri Jan Dhan Yojana in 2014 and demonetisation in 2016, cashless and financial transactions through mobile and Internet services have increased significantly (Datta and Roy, 2022). However, India began its financial inclusion journey in 1969 by nationalising banks and extending credit to underdeveloped sectors defined as priority sectors (Barik and Sharma, 2019; Garg and Agarwal, 2014). Then in 1975, Regional Rural Banks (RRBs), the Government-owned Scheduled Banks jointly managed by the Government, Finance Department, State Governments and sponsor banks, were established (Gautam and Kanoujiya, 2022). National Bank for Agriculture and Rural Development was established in 1982, and in 1992 Self-Help Groups (SHGs) Linkage Programme was launched to support females in rural areas (Sujlana and Kiran, 2018). On the other hand, India has a long history of cooperative banks sponsored directly by the Reserve Bank of India (RBI) and the respective state governments, mainly to disburse credit to the agricultural sector. Although it has a long history dating back to the 19th century, the system was revived in the 1950s to include the rural sector more intensively in banking services (Haralayya, 2021).

In 2004, the RBI appointed the Khan Commission to look into financial inclusion (Shah and Dubhashi, 2015). As a proactive measure to enhance financial inclusion, the RBI, in its Annual Policy Statement 2005–2006, requested banks to review existing practices to align them with the objective of financial inclusion. Also, in the mid-term review of policy (2005–2006), the RBI urged banks to offer basic banking 'no-frills' accounts, either with nil or very low balances and rates at which such accounts are accessible to a broader population (Leeladhar, 2005). In

2006, the RBI introduced the business correspondent (BC) model, which allowed banks to address the last mile problem by using BC services for 'cash in - cash out' transactions at a location very close to the rural population (Chakrabarty, 2013).

Later, in 2008, the Rangarajan Committee on Financial Inclusion observed that financial inclusion to hitherto excluded population segments is critical to sustaining and accelerating growth momentum (Iqbal and Sami, 2017). To strengthen the financial inclusion drive, RBI advised all public and private sector banks to submit a 3-year Financial Inclusion Plan from April 2010, which includes data on rural brick-and-mortar bank branches, number of Basic Saving Bank Deposit accounts, Kisan Credit Cards, General Credit Cards issued and others (Bhaskar, 2014; Sujlana and Kiran, 2018). Also, RBI has relaxed and eased Know Your Customer norms and allowed Aadhaar Cards to be used as address and identity proof (Chakrabarty, 2013).

The Finance Ministry of the Government of India introduced The Micro Finance Institutions (Development and Regulation) Bill on 22 May 2012, and microfinance institutions played an essential role in improving financial inclusion in India (Sujlana and Kiran, 2018). In June 2012, the guidelines for Financial Literacy Centers (FLCs) were revised. Accordingly, RBI proposed to conduct outdoor financial literacy camps at least once a month to enhance financial inclusion through financial literacy and financial access (Bhaskar, 2014). However, the significant number of unbanked populations and the existence of barriers such as lack of digital infrastructure, financial illiteracy and low income, which deny access and use of financial services to marginalised groups, calls for broader assessments of financial inclusion.

The Credit Rating Information Services of India Limited (CRISIL) used three key parameters of basic banking services for constructing *Inclusix*, the financial inclusion index, (i) branch penetration (number of bank branches per one lakh population), (ii) deposit penetration (number of saving deposit accounts per 0.1 million population) and (iii) credit penetration (average of the number of loan accounts per 0.1 million population, number of small borrower loan accounts per 0.1 million population and number of agriculture advances per 0.1 million population) (Bhaskar, 2014). However, in light of the literature survey, this study measured, compared and

correlated more variables and indicators of financial inclusion in the states of India.

METHOD

This study collected secondary data on the selected variables and analysed them statistically to understand their correlation. Table 1 shows the variables of financial inclusion included in this study.

Financial Literacy and Financial Inclusion data were collected from National Financial Literacy and Inclusion Survey 2019 Report (National Center for Financial Education [NCFE], 2019). At the same time, the average accessibility to the Internet was compiled from the National Family Health Survey-5 (2019–2021) (Ministry of Health and Family Welfare [MHFW], 2020, 2021). The projected population for 2020 in the 2011 census was considered, and the number of branches of PSBs and RRBs in each state was counted and calculated BrPop. The land area of all states in India was taken from the data released by Statista (Kanwal, 2022) and calculated BrAr. Similarly estimated ATMPop and ATMAr. Data on state GDP, the share of the service sector, state-wise branches of banks and ATMs, total credit disbursed and deposits created by banks were compiled from data published by RBI on Indian Economy. HDI of all the states in India for the year 2019

was retrieved from Global Data Lab (GDL), published by Radboud University (GDL, n.d.).

The total credit was taken as the sum of all the credits disbursed by the PSBs and the RRBs in different states. Total deposit was also calculated for different states as the sum of deposits created by the PSBs and the RRBs. Then the credit deposit ratio, credit income ratio and deposit income ratio were all estimated on an aggregate basis. Apart from comparing the measures of variables for all states in India, the correlations between the variables were also tested statistically and tabulated.

RESULTS

Figure 1 shows the Fin Lit and Financial Inclusion percentage among India's population of states/union territories (UTs) as of 2019.

The national average for fin lit was 27%, while the average financial inclusion was 15%. More than 50% of states/UTs had Fin Lit and financial inclusion higher than the national average. Chandigarh topped in Fin Lit (56%) and financial inclusion (53%). Goa and Delhi scored high percentages in Fin Lit but fell close to the average in the case of financial inclusion. Arunachal Pradesh, Chhattisgarh and Nagaland showed the opposite trend, with higher financial inclusion than Fin Lit.

Table 1. List of Variables

Label	Name	Description
Fin Lit	Financial Literacy	A combination of financial knowledge, financial attitude and financial behaviour.
AvgIA	Average Internet Access	The average Internet access of the inhabitants of different states.
SHG	Self-Help Group	Total number of SHGs running in the states of India in 2020.
NSDP	Net State Domestic Product	The Net State Domestic Product at current prices for 2019–2020.
BrPop	Demographic Branch Penetration	The number of 1,000 population served by a single branch.
BrAr	Geographic Branch Penetration	The number of branches per 1,000 square kilometres.
ATMPop	Demographic Automated Teller Machine (ATM) Penetration	The number of 1,000 population served by a single ATM.
ATMAr	Geographic ATM penetration	Number of ATMs per 1,000 square kilometres.
CRIR	Credit Income Ratio	The ratio of the total credit disbursed by the public sector banks (PSBs), the RRBs and the State Domestic Product at constant prices in 2011.
DIR	Deposit Income Ratio	The total deposit ratio in the PSBs and the RRBs, to the State Domestic Product at constant prices in 2011.
CDR	Credit Deposit Ratio	The ratio of the total credit disbursed and the deposit accumulated in the PSBs and RRBs.
SVS	Service sector Share	Share of the service sector in Gross Domestic Product (GDP) in 2020.
HDI	Human Development Index	Human Development Index of different states in the year 2019.
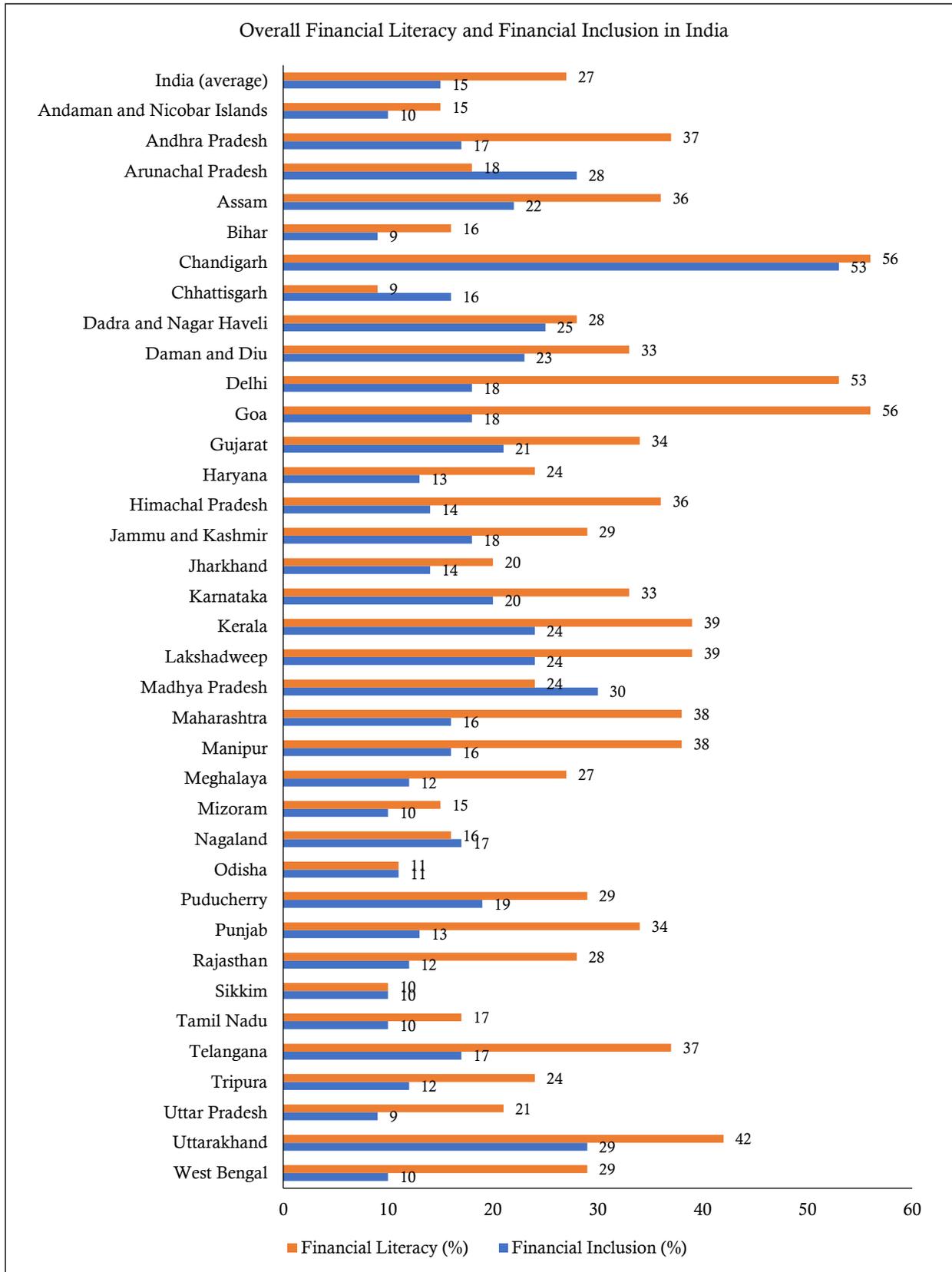
Figure 1. Financial Literacy and Financial Inclusion in India

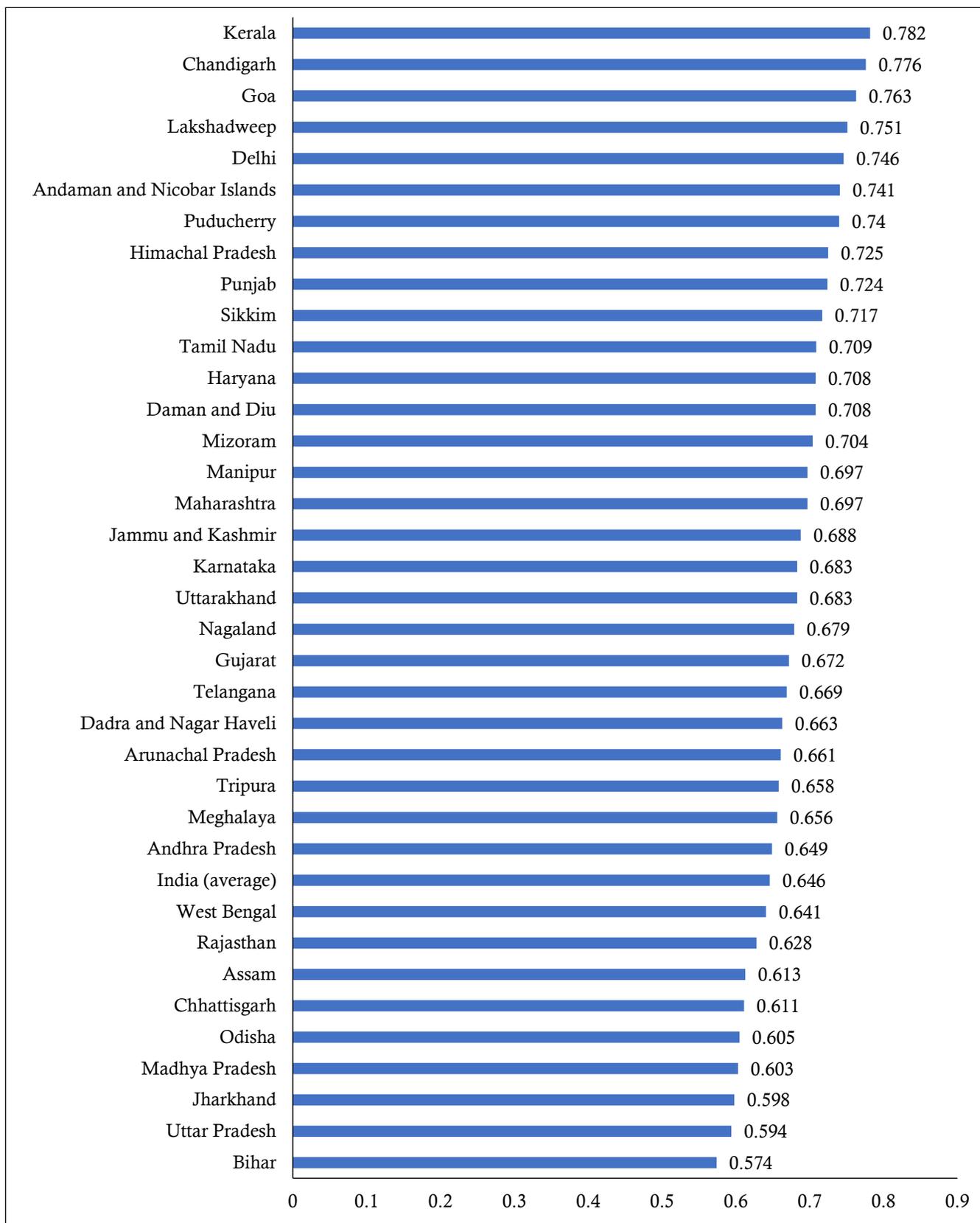| State/UT	HDI
Kerala	0.782
Chandigarh	0.776
Goa	0.763
Lakshadweep	0.751
Delhi	0.746
Andaman and Nicobar Islands	0.741
Puducherry	0.74
Himachal Pradesh	0.725
Punjab	0.724
Sikkim	0.717
Tamil Nadu	0.709
Haryana	0.708
Daman and Diu	0.708
Mizoram	0.704
Manipur	0.697
Maharashtra	0.697
Jammu and Kashmir	0.688
Karnataka	0.683
Uttarakhand	0.683
Nagaland	0.679
Gujarat	0.672
Telangana	0.669
Dadra and Nagar Haveli	0.663
Arunachal Pradesh	0.661
Tripura	0.658
Meghalaya	0.656
Andhra Pradesh	0.649
India (average)	0.646
West Bengal	0.641
Rajasthan	0.628
Assam	0.613
Chhattisgarh	0.611
Odisha	0.605
Madhya Pradesh	0.603
Jharkhand	0.598
Uttar Pradesh	0.594
Bihar	0.574

Figure 2. HDI for the states/union territories of India

Figure 2 shows HDI for states/UTs in India. The national average HDI was 0.646, and Kerala had the highest HDI of 0.782. However, states/UTs with higher Fin Lit had higher HDI. Chandigarh had the highest Fin Lit and financial inclusion and was close to Kerala with 0.776 HDI.

Also, economically prosperous states with higher NSDP and larger SVS were found to have higher CRIR and CDR. Besides, states with higher BrAr and ATMAr had higher CDR and CRIR. In addition, states with higher NSDP had more SHG. A higher SHG resulted in more credit creation. But these SHGs have not acted as engines of HDI, and more SHGs have not been linked to more branches in the state. Each branch served a larger population in states with more SHGs. On the other hand, higher HDI was linked to lower BrPop and credit creation. It implies that a state with higher per capita income, education facilities and health infrastructure had more branches to serve the population. BrPop was lower in Goa, Chandigarh, Lakshadweep, Ladakh, Himachal Pradesh, Mizoram, Sikkim, Punjab, Uttarakhand and Kerala. States/UTs with higher AvgIA had better Fin Lit; for example, Chandigarh, Delhi, Kerala and Karnataka. CRIRs in most states were above 60%, approaching 80.5% for the national CRIR. However, DIR was lagging in many states/UTs. Table 2 shows the distribution of the variables studied in states/UTs.

This study ran the Pearson correlation test to verify the relationship between the variables. Table 3 shows the correlation between the variables analysed in this study.

From Table 3, it is clear that there is a significant correlation between NSDP and SHG. There is also a strong association between the number of SHGs and the credit created in the states implied by the CRIR. CDR is also higher in comparatively higher income-generating states. The number of thousands population served by a single branch is higher in states with higher SHGs. Again, the number of ATMs strongly correlates with the number of branches in a certain area. More branches and more ATMs in a particular area strongly correlate with the credit flow. States with more SHGs, higher BrAr and larger service sectors have a higher CDR. SHGs, branches and ATMs channelled more credit to society than deposits. States with higher Human Development Indices have higher financial literacy, more branches and ATMs, but fewer SHGs. Therefore, it can be interpreted that SHGs helped to create credit, but they have not served as development engines.

Table 2. State/UT-Wise Distribution of Variables Studied

States/UTs	FinLit	Avg IA	SHG	NSDP (Crores)	BrPop**	BrAr	ATMPop	ATMAr	CRIR	DIR	CDR	SVS (Crores)	HDI
Haryana	21	60.4	52502	504035.2	4.881148	134.7372	4.450107	147.7879	0.631325	0.009752	0.647372	252002.4	0.708
Himachal Pradesh	16	58.8	38738	104157.3	3.644345	36.21145	4.970907	26.54788	0.330692	0.010499	0.314971	46568.46	0.725
Jammu and Kashmir		57.65	64136	98029.46	6.050477	52.05843	5.055091	62.30913	0.630708	0.013589	0.464118	62677.39	0.668
Punjab	13	66.5	34967	369650.4	4.246473	140.741	4.033097	148.1871	0.678757	0.011358	0.597606	191144.4	0.724
Rajasthan	20	51.05	231766	610292.2	7.982154	28.65249	8.326915	27.46619	0.612744	0.007374	0.83097	285914.5	0.628
Chandigarh	38	83.55	....	27735.22	2.560086	4087.719	1.590667	6578.947	2.812381	0.026159	1.075119	26292.46	0.776
Delhi	32	74.5	....	550303	58.327968	2553.908	2.553813	5328.167	2.490286	0.022501	1.106737	443126.3	0.746
Ladakh		62.1	....	....	3.430233	1.454029	1.928105	2.586819	#DIV/0!	#DIV/0!	0.368739	....	....
Arunanchal Pradesh	10	62.75	4866	15933.64	7.131455	2.543496	5.753788	3.152502	0.282421	0.011235	0.251383	7142.89	0.613
Assam	20	35.25	318776	209349.1	9.662207	45.74313	8.490816	52.05385	0.367797	0.008379	0.438955	92580.14	0.697
Manipur	36	59.35	4477	18548.54	11.69403	12.0034	8.098191	17.33327	0.339218	0.005761	0.588863	12421.24	0.697
Meghalaya	24	38.4	41430	22239.27	6.869198	21.13335	7.349887	19.75121	0.413278	0.011695	0.353391	15110.3	0.656

Table 2 contd...

States/UTs	FinLit	Avg IA	SHG	NSDP (Crores)	BrPop**	BrAr	ATMPop	ATMAr	CRIR	DIR	CDR	SVS (Crores)	HDI
Mizoram	6	73.65	8168	15787.34	3.774295	15.13211	6.88	8.301314	0.361682	0.009381	0.38555	8846.35	0.704
Nagaland	8	57.25	12725	15439.17	10.59024	12.36504	6.76324	19.36184	0.302996	0.008003	0.378601	11009.41	0.679
Tripura	21	34.3	37778	35800.85	5.34748	71.9054	7.21288	53.30917	0.39365	0.009407	0.418476	19247.04	0.658
Bihar	8	32.1	1003240	369162	12.2071	105.5298	18.33741	70.25052	0.429278	0.011168	0.384367	238756	0.574
Jharkhand	15	44.7	264835	215903.9	10.11653	47.042	10.66845	44.60836	0.343463	0.006712	0.306814	97733.27	0.598
Odisha	9	37.8	509975	360094.8	6.697007	42.05334	6.131432	45.93242	0.421825	0.214983	0.421127	145724.9	0.605
Sikkim	8	77.45	5339	16777.67	3.918129	24.09808	3.160377	29.87599	0.191683	0.006038	0.317473	5881.96	0.628
West Bengal	21	37.15	981202	697554.5	9.040141	121.5409	8.107416	135.5237	0.631432	0.012229	0.516324	400489.5	0.641
Andaman & Nicobar Islands	14	40.64	1073	6363.38	5.391892	8.970784	3.217742	15.03213	0.402459	0.009132	0.440716	4598.95	0.741
Chhattisgarh	4	41.5	226684	220624	7.986008	26.96185	9.020452	23.86993	0.490237	0.00779	0.629287	80466.14	0.611
Madhya Pradesh	23	41.3	385778	515922.8	9.332214	28.98344	8.757773	30.88452	0.577897	0.00814	0.70996	213168.8	0.603
Uttar Pradesh	10	44.85	635869	1015735	9.999693	94.61333	12.19795	77.56259	0.551487	0.012196	0.452204	552541.3	0.594
Uttarakhand		59.85	44038	178258.9	4.482896	47.00559	4.326296	48.70707	0.330918	0.008697	0.380498	71692.67	0.683
Goa	50	78.3	3500	46919.61	2.267936	184.4949	1.60352	260.94	0.429373	0.016312	0.263233	18612.97	0.763
Gujarat	83	44.85	262437	1111868	7.16417	49.03481	5.46307	64.30335	0.558419	0.006783	0.823262	399865.1	0.672
Maharashtra	17	49.75	570714	1873801	8.286511	48.3535	4.954591	80.87081	1.344618	0.015068	0.89238	1071458	0.697
Dadra & Nagar Haveli	105	52.5	762	….	5.495238	174.1294	2.017483	474.2952	#DIV/0!	#DIV/0!	0.656178	….	0.663
Daman & Diu	29	0	…	…	#DIV/0!	#DIV/0!	0	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	….	0.708
Andhra Pradesh	23	34.9	820039	588343.2	5.818907	55.36432	5.157564	62.46357	0.766114	0.006081	1.259879	259042	0.649
Karnataka	25	48.7	232010	1023690	5.168082	66.91138	3.752093	92.16282	0.756847	0.010763	0.703166	653276.5	0.683
Kerala	36	68.6	252887	521069.9	4.674566	194.3494	3.461131	262.4862	0.72697	0.010775	0.674666	317781.2	0.782
Tamil Nadu	22	58.55	303073	1133438	5.820373	100.4629	3.14278	186.0555	0.876884	0.008042	1.09042	581327.5	0.709
Lakshadweep	22	68.35	322	0	3.090909	687.5	3.4	625	0	0	0.086996	0	0.751
Puducherry	21	434.45	3772	22210.21	4.803125	688.0585	2.799636	1146.138	0.630566	0.009386	0.671799	10715.74	0.75
Telangana	…*	41.95	437812	579687.5	5.552378	60.21753	47.91944	6.977346	0.988888	0.008929	1.107521	358372	0.751

* Data not represented here were not available from the respective sources.
**BrPop is the number of thousands served by a single branch. So, a small number implies more branches for a smaller population.

Table 3. Correlations between the Variables

		FinLit	AvgIA	SHG	NSDP	BrPop	BrAr	ATMPop	ATMAr	CRIR	DIR	CDR	SVS	HDI
FinLit	Pearson correlation	1	0.027	-0.081	0.216	-0.188	0.247	-0.339	0.247	0.269	-0.130	0.324	0.129	0.379*
	Sig. (2-tailed)		0.886	0.677	0.252	0.310	0.180	0.067	0.181	0.151	0.492	0.075	0.496	0.036
AvgIA	Pearson correlation	0.027	1	-0.265	-0.197	-0.243	0.186	-0.181	0.186	0.067	-0.064	0.042	-0.178	0.316
	Sig. (2-tailed)	0.886		0.142	0.271	0.165	0.293	0.313	0.291	0.709	0.722	0.813	0.321	0.069
SHG	Pearson correlation	-0.081	-0.265	1	0.540**	0.498**	-0.137	0.334	-0.165	0.403*	0.170	0.392*	0.541**	-0.496**
	Sig. (2-tailed)	0.677	0.142		0.002	0.004	0.456	0.067	0.368	0.025	0.361	0.027	0.002	0.004
NSDP	Pearson correlation	0.216	+0.197	0.540**	1	0.187	+0.102	0.084	+0.086	0.259	+0.010	0.527**	0.974**	+0.079
	Sig. (2-tailed)	0.252	0.271	0.002		0.297	0.570	0.643	0.634	0.146	0.955	0.002	0.000	0.661
BrPop	Pearson correlation	-0.188	-0.243	0.498**	0.187	1	-0.331	0.271	-0.305	-0.276	-0.037	-0.058	0.163	-0.698**
	Sig. (2-tailed)	0.310	0.165	0.004	0.297		0.056	0.127	0.080	0.119	0.840	0.743	0.365	0.000
BrAr	Pearson correlation	0.247	0.186	+0.137	+0.102	+0.331	1	-0.186	0.989**	0.902**	0.048	0.391*	+0.029	0.426*
	Sig. (2-tailed)	0.180	0.293	0.456	0.570	0.056		0.301	0.000	0.000	0.790	0.022	0.872	0.012
ATMPop	Pearson correlation	-0.339	-0.181	0.334	0.084	0.271	-0.186	1	-0.198	-0.059	-0.051	0.169	0.106	-0.117
	Sig. (2-tailed)	0.067	0.313	0.067	0.643	0.127	0.301		0.270	0.743	0.777	0.346	0.559	0.516
ATMAr	Pearson correlation	0.247	0.186	+0.165	+0.086	+0.305	0.989**	-0.198	1	0.912**	0.049	0.425*	+0.004	0.412*
	Sig. (2-tailed)	0.181	0.291	0.368	0.634	0.080	0.000	0.270		0.000	0.788	0.012	0.983	0.015
CRIR	Pearson Correlation	0.269	0.067	0.403*	0.259	+0.276	0.902**	-0.059	0.912**	1	0.021	0.693**	0.343	0.456**
	Sig. (2-tailed)	0.151	0.709	0.025	0.146	0.119	0.000	0.743	0.000		0.909	0.000	0.050	0.008
DIR	Pearson correlation	+0.130	+0.064	0.170	+0.010	+0.037	0.048	+0.051	0.049	0.021	1	-0.088	+0.029	-0.174
	Sig. (2-tailed)	0.492	0.722	0.361	0.955	0.840	0.790	0.777	0.788	0.909		0.628	0.873	0.334
CDR	Pearson correlation	0.324	0.042	0.392*	0.527**	-0.058	0.391*	0.169	0.425*	0.693**	-0.088	1	0.525**	0.230
	Sig. (2-tailed)	0.075	0.813	0.027	0.002	0.743	0.022	0.346	0.012	0.000	0.628		0.002	0.191
SVS	Pearson correlation	0.129	+0.178	0.541**	0.974**	0.163	+0.029	0.106	+0.004	0.343	+0.029	0.525**	1	+0.009
	Sig. (2-tailed)	0.496	0.321	0.002	0.000	0.365	0.872	0.559	0.983	0.050	0.873	0.002		0.962
HDI	Pearson Correlation	0.379*	0.316	-0.496**	-0.079	-0.698**	0.426*	-0.117	0.412*	0.456**	-0.174	0.230	-0.009	1
	Sig. (2-tailed)	0.036	0.069	0.004	0.661	0.000	0.012	0.516	0.015	0.008	0.334	0.191	0.962	
	N	30	33	31	33	33	33	33	33	33	33	33	33	33

*Correlation is significant at the 0.05 level (2-tailed).; **Correlation is significant at the 0.01 level (2-tailed)

CONCLUSION

A financial tripod created by financial literacy, financial inclusion and financial stability facilitates holistic and sustainable financial development. Digital infrastructure development and high Internet access are critical to increasing financial literacy. Financial literacy is linked to HDI; however, literacy alone is insufficient to ensure inclusion. Income is vital for inclusion, which can be promoted through microfinancing. Micro Small and Medium Enterprises sector, which depends primarily on bank credits, is an engine for promoting financial inclusion and economic growth in rural areas. SHG-Bank linkage must be sustained with enhanced credit disbursement for improved income generation to better the CRIR.

Higher branch penetration and ATM penetration are crucial in realising financial inclusion with easy credit disbursement and deposit acquisition. Apart from disseminating information about financial services and digital transactions, FLCs should take initiatives to inculcate financial discipline among the people. A good financial attitude and disciplined financial behaviour with financial awareness and income can contribute to DIR and financial stability. However, besides the government policies and RBI initiatives, a multi-stakeholder approach is needed to attain an inclusive financial development of the country. Panchayati Raj Institutions, Non-Government Institutions, Educational Institutions and mass media can play an important role in involving the society's marginalised sections in the country's economic process.

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