AN EMPIRICAL STUDY TO ANALYSE THE PERCEPTION OF BENEFICIARIES OF FINANCIAL INCLUSION (FI) SCHEMES IN LUCKNOW CITY

Ms. AMRITA BHATTY
Research Scholar, Department of Commerce and Business Management, IntegralUniversity,Lucknow. (Mob: 7668818806, amritabhatty27@gmail.com)

Dr. FARHINA SARDAR KHAN
Assistant Professor, Department of Commerce and Business Management, Integral University, Lucknow.(Mob: 8299153334, farhina@iul.ac.in)

Abstract:
A strong financial system is the prerequisite for sustainable development, economic advancement and progress of any economy. To ensure continuous development, the focus has to be on growth and stability of financial position of all the citizens of the country for which financial inclusion shall play an indispensable role.In India, as more than 65% of the population lives in rural areas so achievement of inclusive growth which involves proper allocation of all the resources from top to bottom along with inculcation of banking habits among the indigent class is quite a challenge. In spite of all the hurdles and bottlenecks, for securing growth in financial inclusion, the Government of India has introduced development policies, regulatory reforms and new funding schemes besides, Indian government has also set a target of reaching full inclusion by 2015.
*The purpose of the study is to find & analyse the perception of beneficiaries of financial inclusion (FI) schemes in Lucknow City and also to analyse the significant difference in the level of trustacross different demographic factors for beneficiaries of Financial Inclusion (FI) schemes in Lucknow City. Hence, a sample of 239 respondents was taken through a standardized questionnaire, comprising of 15 questions (parameters) designed on five point interval scale and r*andom sampling method has been used. *Moreover, Mean and t-test have been applied to analyse the result of the survey. After the analysis, it was observed that financial inclusion schemes have created a positive impact (economically and socially both) on the beneficiaries of financial inclusion scheme in Lucknow City.*

Keywords: *Financial Inclusion, Pradhan Mantri Jan Dhan Yojana (PMJDY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Yojana (PMJJBY), Atal Pension Yojana (APY),* Pradhan Mantri Mudra Yojana (PMMY) and Stand Up India Scheme.

- **Introduction:**

Financial Inclusion is a process of ensuring that suitable financial products and services are timely provided to the poor, disadvantaged and vulnerable section of the society at a reasonable and affordable cost. It is a judicious process which strives to include everyone from the society without any discrimination in the financial management of the country.
Financial Inclusion has gained importance not only in India but worldwide. All the nations around the globe are adopting different strategies, building innovative models, and channelising resources which are best suitable to the financial and economic system of their country. Hence, financialscenario and progress of few countries is described briefly as below:

a) **U.S.A:**To bring the unbanked population to the financial mainstream and provide the banked population with customised financial services U.S.A has adopted innovative financial technology (Fintech) including 'Venmo' and 'Zelle' which have proved to be quite significant in reducing the financial exclusion. To cater the problem of financial exclusion, the rural areas of the country have been dedicated with more than 800 CDFIs , i.e Community Development Financial Institutions (Ozili, 2021). In 1989, 86% of the households in U.S.A had a bank account whereas in 2013 this figure jumped up to 93%. In 1970 the percentage of financial assets to the GDP was around 5% which also jumped to greater than 11% in 2015 **(Council of Economic Advisers Issue Brief, 2016).**
b) **U.K:** In this country, people who are not a part of the financial mainstream are at a disadvantage. Some of the disadvantages which are faced by them includes: no insurance coverage, high rate of interest being charged in the loan accounts, no bank accounts in which salary/remuneration of the employees/workers could be paid and utilities are also provided to them at a higher cost as compared to people who already have a bank account. Moreover, in 2002-2003 around 2.8 million in the country did not have a bank account and in 2005-2006 this number significantly fell to 2 million **(Mitton,2008).**

c) **Africa:** In spite, the banking channels in Africa are still not developed (when compared to other nations) still significant progress in the fields of financial innovation, financial inclusion and cross border banking has been witnessed. Moreover, over a period of time- the financial access within the continent has improved considerably which is primarily due to the foreign banks belonging to the emerging markets including Africa whereas foreign banks belong to U.S.A or Europe have not contributed towards the same. It was studied that in Africa, - 1) Only 23% of the adult population have a bank account in a formal financial institution. 2) Only 14% of the population uses mobile phone to pay bills, money transactions etc. 3) 36% of the adult population have had savings in the preceding 12 months out of which only 13% of the adult population have made their savings in a formal financial institution **(Becka, Senbetb and Simbanegavic, 2014)**

d) **China :**Financial Inclusion is relatively a new term for China as in 2013 only, the term has secured a place as an aim in a formal policy document. Despite having less experience, the country has performed well in micro-insurance sector and in 2008, after testing micro-insurance in few territories of the country, the same was rolled out to cover the entire nation in 2012. The country also scores low in accepting deposits which is evident from the fact that the ceiling on deposit rates is quite low resulting in low – deposits & deposit insurance and hence the savings are concentrated in the institutions which are big and safe too. However, to develop a more competitive market various plans have also been introduced to eliminate the ceiling on deposit rates which would on one hand improve the savings of the citizens and on other hand would enable the small financial institutions to compete in the market. Overall, with this initiative its score on deposit indicator's would also improve**(Arun and Kamath, 2015).**

e) **Russia: D**ata on the G20 Financial Inclusion Indicators clearly indicates that Russia is on the right track to achieve full financial inclusion. Although, certain challenges still exists but the road map framed evidently displays that it is moving from financial exclusion to financial inclusion . One of the hurdles being faced by the country is that distribution of financial products and services is not uniform and they are more concentrated in its western part. The banks are also not uniformly segmented on one side there exists a small percentage of banks which are highly capitalised and on the other side there exists a large percentage of small and medium banks which are undercapitalised. Also, there exists low level of – 1) Financial products and services (in terms of quality). 2) Low level of trust among the citizens towards the entire banking sector and 3) Low level of financial literacy, hence by imparting financial education and financial literacy & increasing the level of financial inclusion these bottlenecks can be easily addressed **(Gorshkov,2017).**

However, India also understood the importance of financial inclusion long before and to bring financial services within the reach of the masses- the Government of India (GOI) and the Reserve Bank of India (RBI) over the decades have collectively taken many initiatives which includes- the establishment of State Bank of India in 1955, Nationalization of 14 major private banks in 1969, introduction of Lead Bank Scheme in 1969, establishment of Regional Rural Banks in 1975, Nationalization of 6 other major private banks in1980, establishment of NABARD in 1982, introduction of Self-Help Group(SHGs) – Bank Linkage Program in 1992, introduction of the Kisan Credit Card Scheme in 1998, launching of Swabhimaan Campaign in 2011 etc. As in spite of the huge steps taken the outcome was suboptimal and the expected results were not achieved.So, after detailed planning and research conducted by various financial experts and policymakers, the Indian Government has launched a number of revolutionary schemes/programs since 2014 for the less fortunate like-Pradhan Mantri Jan Dhan Yojana (launched in 2014) , Pradhan Mantri Jeevan Jyoti Bima Yojana (launched in 2015), Pradhan Mantri Suraksha Bima Yojana (launched in 2015), Atal Pension Yojana (launched in 2015), Pradhan Mantri Mudra Yojana (launched in 2015) and Stand Up India Scheme (launched in 2016), out of which the most popular being Pradhan Mantri Jan Dhan Yojana.

These landmark Financial Inclusion schemes are precisely described below:

a) **Pradhan Mantri Jan Dhan Yojana (PMJDY):**

With the aim to comprehensively involve all the households of the country to the financial mainstream the Pradhan Mantri Jan Dhan Yojana (PMJDY) was announced on 15th August 2014 as the National Mission on Financial Inclusion. The scheme was launched with the objective to provide every household of the country with -universal access of banking facilities (which includes at least one basic bank account without any compulsion of maintenance of minimum balance), the Basic Bank Account with an overdraft facility up to Rs. 5,000/- (the overdraft facility shall be provided only after satisfactory operation of the account for a duration of at least six months), aRupay Debit Card which covers an accidental insurance cover of Rs. 1.00 Lakh, financial literacy etc. **(Chowhan and Pande, 2014).**

DOI:10.9756/INTJECSE/V14I5.603 ISSN: 1308-5581 Vol 14, Issue 05 2022

b) Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY): Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) offers life insurance coverage which is renewable annually to all those subscribers who are aged between 18 years and 50 years. With the annual premium of Rs. 330/- one gets the risk or insurance coverage of Rs. 2.00 Lakhs on the death of the person insured /subscriber due to any reason. The coverage period is of one year which shall extend from 1st June to 31st May. Through auto debit facility, the premium amount is debited from the bank account of the subscriber in one instalment. The scheme is primarily offered by Life Insurance Corporation of India (LIC) but other Life Insurers who are willing to offer life insurance products/services on similar terms can also participate by taking necessary approvals/tie ups with banks **(Yadav and Mohania, 2015).**

c) **Pradhan Mantri Suraksha Bima Yojana (PMSBY):** To improve the social security of the lower income group and all the other citizens who are outside the ambit of accidental insurance coverage, The Government of India took a huge step and Pradhan Mantri Suraksha Bima Yojana (PMSBY) was announced to provide a personal accidental insurance coverage (with one of the cheapest insurance premium) to cover the risk of-accidental death, permanent and partial disability resulting from fatal accidents**.**

To get enrolled under the scheme, age of the Individual should be between 18 years and 70 years and the premium amount shall be debited on or before 1st June. Coverage period is of one year which shall extend from 1st June to 31st May and the scheme shall be renewed annually. With the premium of Rs. 12.00 per year one gets the risk or insurance coverage of Rs. 2.00 Lakhs for accidental death and full disability and for Partial Disability the risk or insurance coverage is of Rs. 1.00 Lakh. Through auto debit facility, the premium amount is debited from the bank account of the individual in one instalment, so one should compulsorily have a bank account and Aadhar Card being the primary KYC for the same**(Kumar, Pandian and Nagarajan, 2020).**

d) Atal Pension Yojana (APY): The pension scheme is a voluntary one which encourages an individual to save for their retirement and its operation is regulated by the Pension Fund Regulatory and Development Authority (PFRDA). APY has been launched to provide social security to all the citizens who are a part of the unorganised sector i.e. for all those who are neither enrolled in any statutory social security scheme nor are income tax payers. Under the scheme, the individual at the age of 60 years shall receive a fixed monthly pension ranging from Rs. 1000/- per month to Rs. 5000/- per month (in the multiples of one thousand) depending on the contributions made and the age of entry to the scheme**(Sandeep and Sharma, 2015).**

e) **Pradhan Mantri Mudra Yojana (PMMY) :** The scheme was launched to provide hassle free loans up to Rs. 10.00 Lakhs to non-corporate and non – farming small or microenterprises. Under PMMY, the loans are classified as MUDRA Loans which are further sub categorized as follows:

- Shishu: For Loan amount up to Rs. 50,000/-
- Kishore: For Loan amount above Rs. 50,000/- and up to Rs. 5,00,000/-
- Tarun: For Loan amount above Rs. 5,00,000/- and up to Rs. 10,00,000/-

For implementation of the scheme, a new institution has been set up by the Indian Government, i.e. Micro Units Development & Refinance Agency Limited (abbreviated as MUDRA). The institution is purely engaged in developing as well as refinancing activities of micro units. Thus, MUDRA provides refinance to all the refinance seeking institutions:NBFC's, scheduled commercial banks (SCBs), Regional Rural Banks (RRBs), Societies, Non Co-operative Societies , Trusts etc provided they are engaged in the business of lending to micro or small enterprises. The micro or small enterprise financed should be engaged in either manufacturing, trading or other services**(Mahajan,2019).**

f) **Stand Up India Scheme:** With a noble effort to provide bank loans to at least one Schedule Caste (SC) or Schedule Tribe (ST) and at least one woman per branch of all the scheduled commercial banks (SCBs) for setting up a green field project (manufacturing, trading or the service sector). The loan amount that could be provided under the scheme shall range between Rs. 10 Lakhs and Rs. 1 Crore. Under the scheme, maximum of 75% of the Total Project cost only could be financed by the banks and balance of 25% (margin money) could be brought in by Central/State Schemes but in all cases the applicant shall be required to bring in at least 10% of the Total Project Cost as part of his own contribution and the loan is to be repaid in 7 years.

Applicable Rate of Interest shall be the lowest rate for that rating category but in any case it shall not exceed 3% above tenor premium plus Base Rate (MCLR). Apart from primary security, the loan may also be secured by either sufficient collateral security or guarantee extended by the Credit Guarantee Fund Scheme for Stand-Up India Loans (CGFSIL).

In case of non-individuals, minimum 51% shareholding and controlling authority should be held with the Schedule Caste (SC) or Schedule Tribe (ST) or Woman entrepreneur**(Kumar,2018).**

- **Review of Literature:**

After liberalization, India's GDP witnessed an incremental growth but it did not solve the problem of poverty and it was analysed by the policymakers that increase in GDP alone is not the remedy of the deep-seated problem of poverty instead inclusive growth is an optimal solution for the same (**Sharma, Didwania and Kumar, 2011).** Even after 60 years of independence, still a major chunk of Indian population is out of the

DOI:10.9756/INTJECSE/V14I5.603 ISSN: 1308-5581 Vol 14, Issue 05 2022

banking ambit and this malaise has led to financial insecurity among the weaker section of the society who do not have access to financial products and services (**Kritika, 2015).**

Apart from playing a significant role in the economic development and poverty eradication, numerous other advantages are associated with financial inclusion which includes- it helps in eliminating socio-economic inequalities which exists in the society, it helps in mobilization of resources, it inculcates saving habit among people, removes apprehensions towards financial products and services, persuades the unbanked and under banked customers to make effective use of the financial mainstream, it also encourages people to avail the credit facilities for setting up new business ventures etc. (**Vohra, 2013)**. It also boosts the financial position and living standards of the poor (**Dangi and Kumar, 2013)**, pools the idle funds to capital formation (the capital formed will be utilized in productive investments which will generate more wealth in the economy leading to higher GDP growth). It shall alsoreduce farmer's indebtedness, promotes grass root innovations and entrepreneurship (**Ghatak, 2013)**. In a nutshell, financial inclusion will help the country to drive away rural and urban poverty (**Siddiqui, 2018).**

In a study it was revealed that across the nation the level of financial inclusion is not uniform as it was observed that- among states Kerala is the most financially inclusive state and Manipur is the least and among Union Territories Puducherry has topped the chart. However, with initiatives like increasing branch density, more disbursement of loans, organising deposit and financial literacy campaigns the level of financial inclusion can be increased (**Sabu and Sebastain, 2017).**

In another study, the association between human development and financial inclusion was analysed and it was observed that both the factors are positively correlated which means that the states with high level of human development also had high level of financial inclusion and vice versa (**Kuri and Laha, 2011).** Further, with the sample size of 21 Indian States the association between the index of financial inclusion (IFI) and human development index (HDI) was observed and it was analysed that the states like Goa, Punjab, Tamil Nadu and Kerala which were high on IFI were also high on HDI whereas other states like Madhya Pradesh, Bihar and Chhattisgarh which were low on IFI also ranked low on HDI hence on the basis of the study it was further suggested that while formulating policies of various sectors like health, education, infrastructure and income, financial inclusion should be considered as one of the primary objective (**Gupta, Chotia and Rao, 2014).**

Lastly, as in spite of numerous initiatives been taken over the decades towards financial inclusion, the benefits have still not penetrated into the lives of the disadvantaged poor (especially in the Below Poverty Line (BPL) category). Although in the past few years the financial inclusion initiatives had improved their living conditions but due to the absence of deposits and credit improvement measures the overall fruits of financial inclusion could not be realised. Hence, with latest technological measures, a suitable FI delivery model along with new products and services could be built which can serve the emerging needs of the excluded sector (**Ramasubbian and Duraiswamy, 2012).** Also, India is a fast-growing economy so people who are poor today shall tomorrow be under middle class segment hence banks and other financial institutions instead of ignoring this vast segment should on the contrary consider it as a golden opportunity and build strategies and suitable models for this segment. Though cost of serving the low-income group (having small ticket size) is quite high but to initially overcome such problems and to grow in a sustainable manner banks need to take bold decisions, adopt innovative measures, use latest technologies and build profitable financial models urgently (**Bansal, 2012)**.

- **The Need of Financial Inclusion:**

Today, the Third world nations (especially in Asia and Africa) are still suffering from the problem of poverty and even in India, more than 400 million people are still struggling to ensure income security **(Rachana, 2011).** In most of the developing countries still a large segment of the society has little access to both formal and semi-formal financial services. As a result, for finance the financially excluded section has to depend either on themselves or on informal sources at high cost and in the least developed countries the situation is even worse where more than 90% of the population is till excluded from the formal or organized financial system **(Kapoor and Singh, 2014)**. As, financial inclusion has been identified as an indispensable part of development, it is now evident that when compared to other nations, the level of financial inclusion in India is very low **(Sabu and Sebastain, 2017).**In an Index of Financial Inclusion, out of 100 countries, India lies on the 50th spot with only 34% of the India Population having access to basic banking services **(Rachana, 2011)**.

Hence, in India, financial needs of the poor have so far been met through informal means which are costly and risky and resulted in sub optimal outcomes for the most vulnerable sections of our society. Hence, it is suggested that for reducing poverty and spurring economic development, access to financial services should be made easier. Moreover, Government of India and Reserve Bank of India should collectively take initiatives in building- innovative products, out of the box service models, effective regulatory norms etc. which would in turn increase the pace of the Financial Inclusion Program (**Muniraju, 2018).**

- **Role of Financial Inclusion**

Financial inclusion is an issue at global level and sustainable development of any country is closely related to the level of inclusion of the population into the financial net **(Gupta and Singh, 2013).** For any economic activity, finance is one of the most important parameters of growth so the economic position of a country can be

DOI:10.9756/INTJECSE/V14I5.603 ISSN: 1308-5581 Vol 14, Issue 05 2022

enlarged by using financial inclusion hence financial inclusion is the back bone of any system through which a developing country like India can attain inclusive growth by connecting the contribution of weaker or rural population of the country with the main stream. If there is an easy access to the financial system of the country by the weaker section, then the country can move towards economic advancement hence, by achieving high financial inclusion, it will be easy to promote inclusive growth, reduce farmer's indebtedness, promote grassroots innovations, promote entrepreneurship, improve standards of living etc **(Goel and Sharma, 2017).**
Financial inclusion is positively correlated with the progress and development of the economy and hence on one hand it is playing a crucial role in economic growth and advancement so on the other hand it is also helping in driving away poverty from the country by reducing the gap between the rich and the poor **(Iqbal and Sami, 2017)**. Moreover, the access to basic financial services by the disadvantaged group is the prerequisite for reducing poverty and the only way to ensure that the capital formation is always on track. This capital will be generated only when the savings of the large masses will be mobilized which can be achieved through financial inclusion **(Kumar and Mishra, 2015).**In India, a large segment of society particularly low-income people have very little access to both formal and semi-formal financial services so by considering financial inclusion as a policy priority, strategizing the provisions of bank credit, extensively using cooperatives, introducing procedural/documentation changes , with proactive role of government , adequate publicity and effective use of IT solutions successful implementation of financial inclusion policy could be achieved **(Srikanth, 2013)**.Poverty is the root cause of many evils like illiteracy, lack of access to social benefits, inadequate healthcare etc. and financial inclusion as an intermediary shall improve the status of poor farmers, non-farm enterprises (located at rural areas) and other neglected and weaker section. So, Self Help Groups and microfinance institutions with the help of new regulatory procedures can improve the financial inclusion drive. Also, banks should treat financial inclusion as a golden business opportunity as well as a social responsibility **(Dev, 2006).**

- **Objectives:**

1. To study the perception of beneficiaries of Financial Inclusion (FI) schemes in Lucknow City.
2. To analyse the perception of beneficiaries of Financial Inclusion (FI) schemes in Lucknow City.
3. To analyse the significant difference in the level of trust across different demographic factors for beneficiaries of Financial Inclusion (FI) schemes in Lucknow City.

- **Research Methodology:**

The proposed study is empirical in nature. The study was conducted through a survey and sample of 239 respondents was collected. A standardized questionnaire was distributed comprising of 15 questions (parameters) designed on five point interval scale. Random Sampling method has been used and Moreover, Mean and t-test have been applied to analyse the result of the survey.

- **Findings:**

Table 1: Demographic Factors of the Respondents

Variables	**Total No. of Respondents**	**Percentage (%)**
Gender		
Male	165	69.04%
Female	74	30.96%
Total	**239**	**100%**
Age		
Up to 18 Yrs	8	3.35%
above 18 Yrs - Up to 30 Yrs	88	36.82%
above 30 Yrs - Up to 45 Yrs	96	40.17%
above 45 Yrs - Up to 60 Yrs	35	14.64%
above 60 Yrs	12	5.02%
Total	**239**	**100%**
Marital Status		
Single	72	30.13%
Married	167	69.87%
Total	**239**	**100%**
Religion		
Hindu	148	61.92%

DOI:10.9756/INTJECSE/V14I5.603 ISSN: 1308-5581 Vol 14, Issue 05 2022

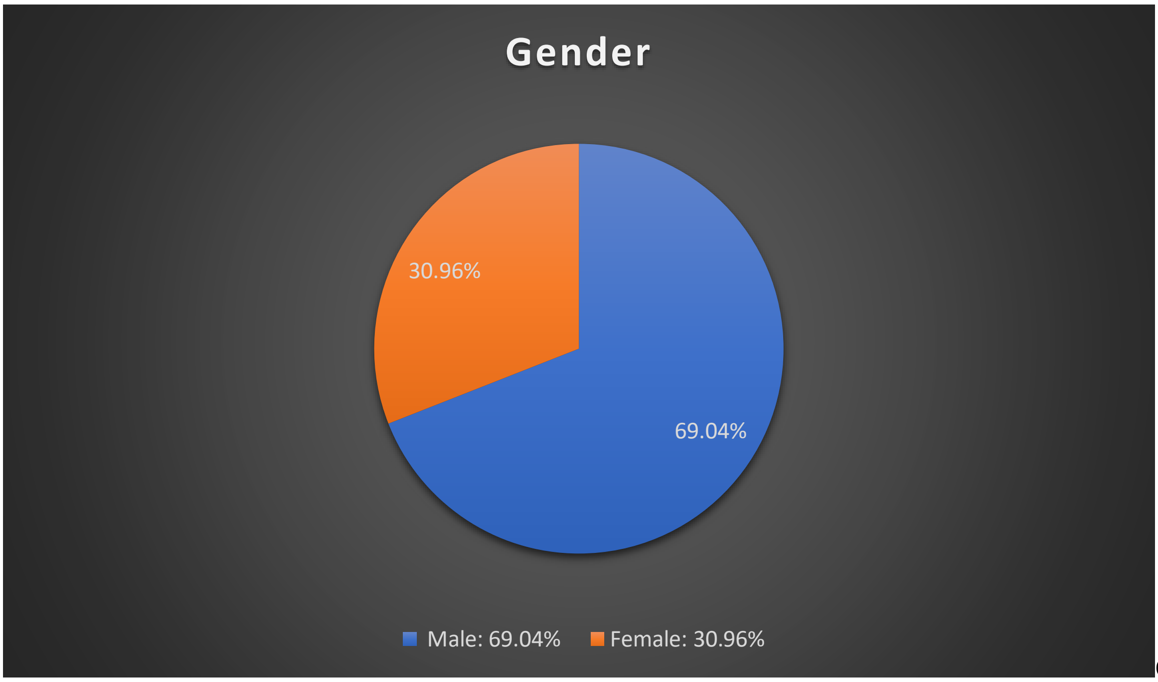
Muslim	70	29.29%
Sikh	18	7.53%
Christian	2	0.84%
Others	1	0.42%
Total	**239**	**100%**
Qualification		
Doctorate	1	0.42%
Post Graduate	8	3.35%
Graduate	54	22.59%
Diploma	3	1.26%
Higher Secondary	56	23.43%
Less than Higher Secondary	85	35.56%
Illiterate	32	13.39%
Total	**239**	**100%**
Occupation		
Government Job	12	5.02%
Private Job	60	25.10%
Self Employed	47	19.67%
Housewife	40	16.74%
Labour	51	21.34%
Student	18	7.53%
Others	11	4.60%
Total	**239**	**100%**
Monthly Income		
Nil	58	24.27%
Up to Rs. 5,000	9	3.76%
Above Rs. 5,000- Up to Rs. 10,000	33	13.81%
Above Rs. 10,000- Up to Rs. 15,000	57	23.85%
Above Rs. 15,000- Up to Rs. 30,000	64	26.78%
Above Rs. 30,000	18	7.53%
Total	**239**	**100%**

Source : From the Survey conducted, demographic factors of the respondents have been tabulated by the Researchers

Table 1 illustrates the demographic background of the respondents which comprises of gender, age, marital status, religion, qualification, occupation and monthly income.

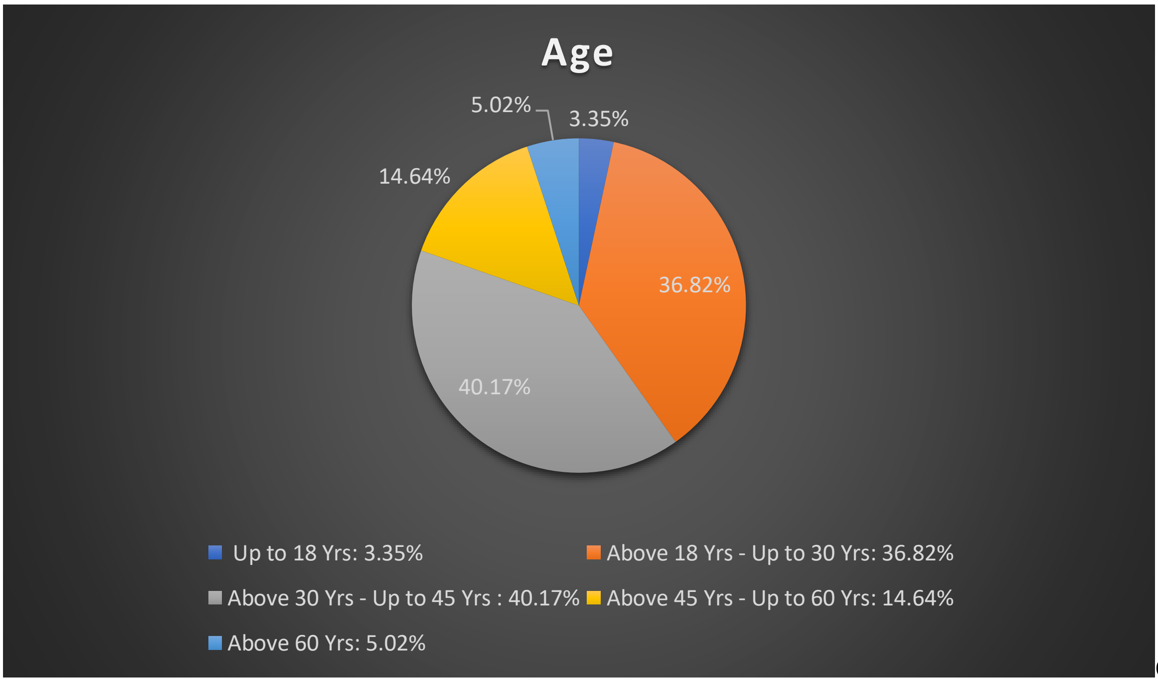
1.

DOI:10.9756/INTJECSE/V14I5.603 ISSN: 1308-5581 Vol 14, Issue 05 2022



Out of 239 respondents: 69.04% are males and 30.96% are females.

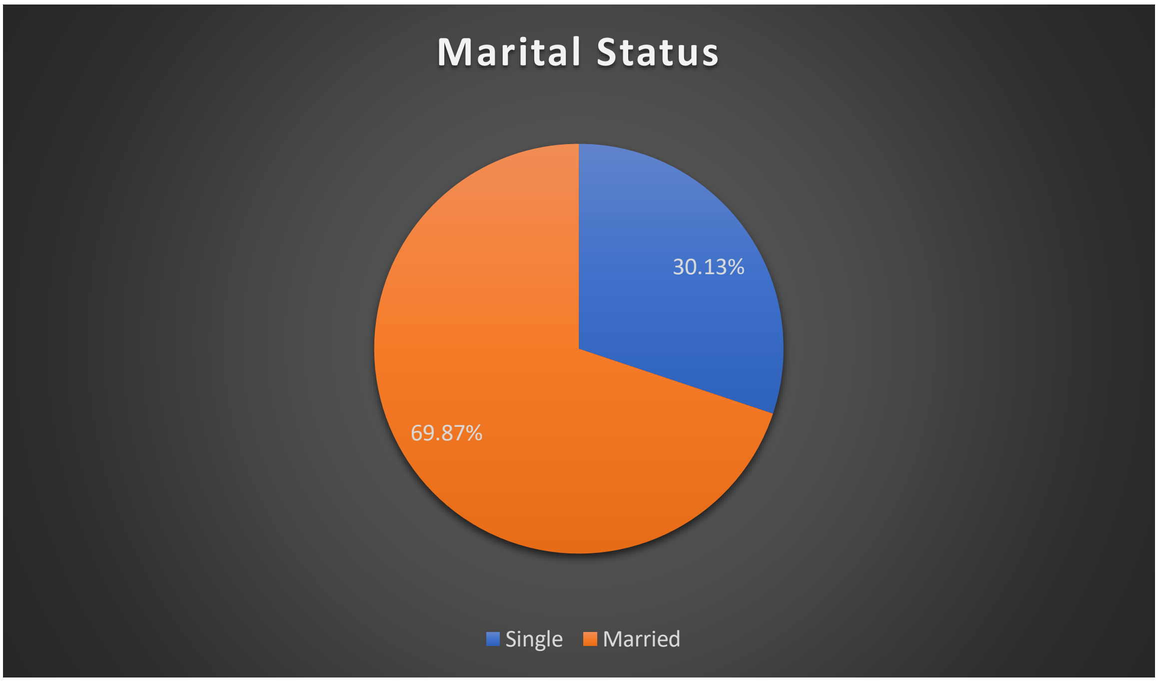
2.



Out of 239 respondents: 3.35% are up to 18 years of age, 36.82% are in the age bracket of above 18 years-30 years, 40.17% are in the age bracket of above 30 years - 45 years, 14.64% are in the age bracket of 45 years – 60 years and 5.02% are above 60 years.

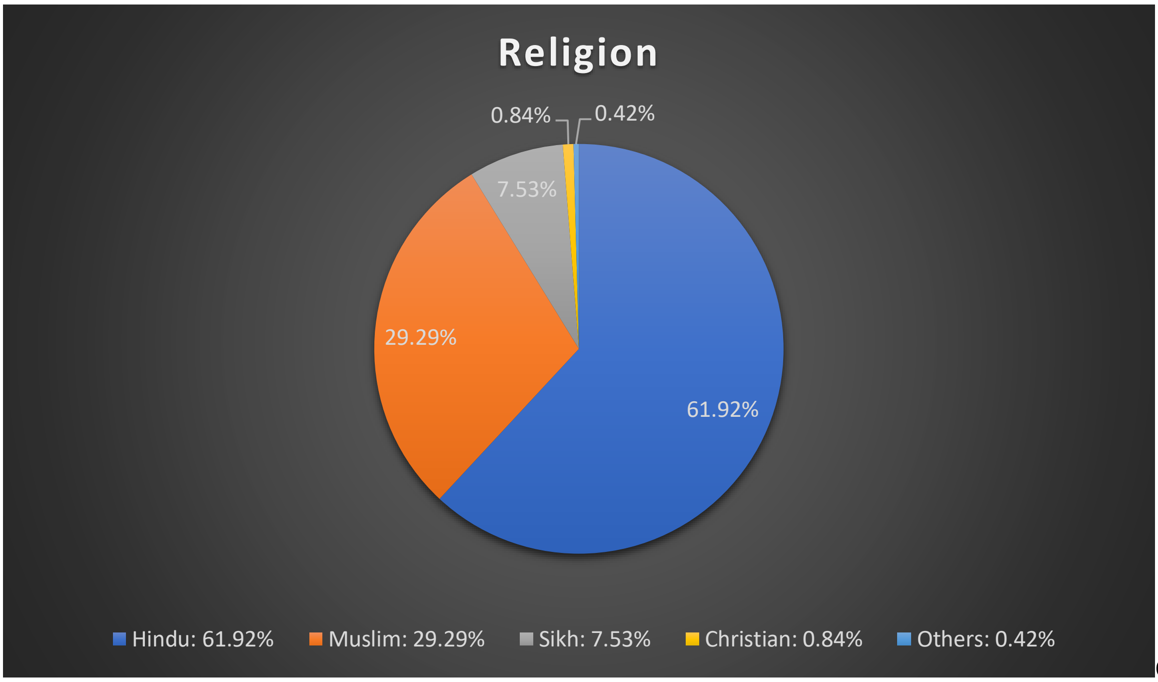
3.

DOI:10.9756/INTJECSE/V14I5.603 ISSN: 1308-5581 Vol 14, Issue 05 2022



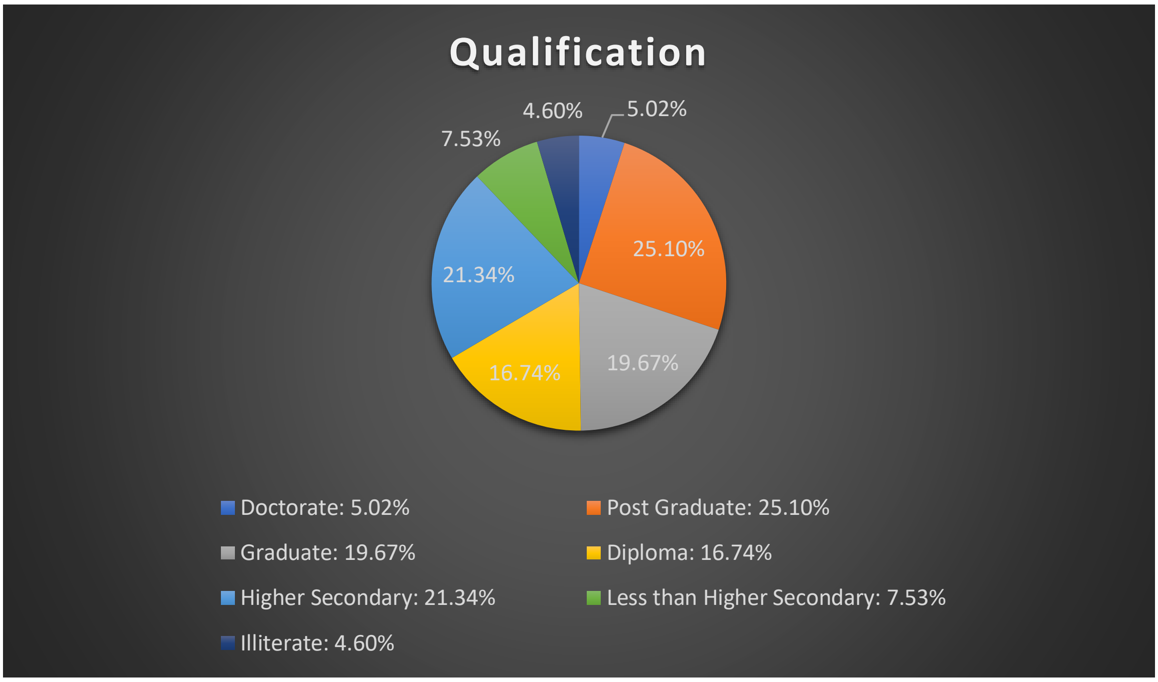
Out of 239 respondents: 30.13% are single and 69.87% are married.

4.



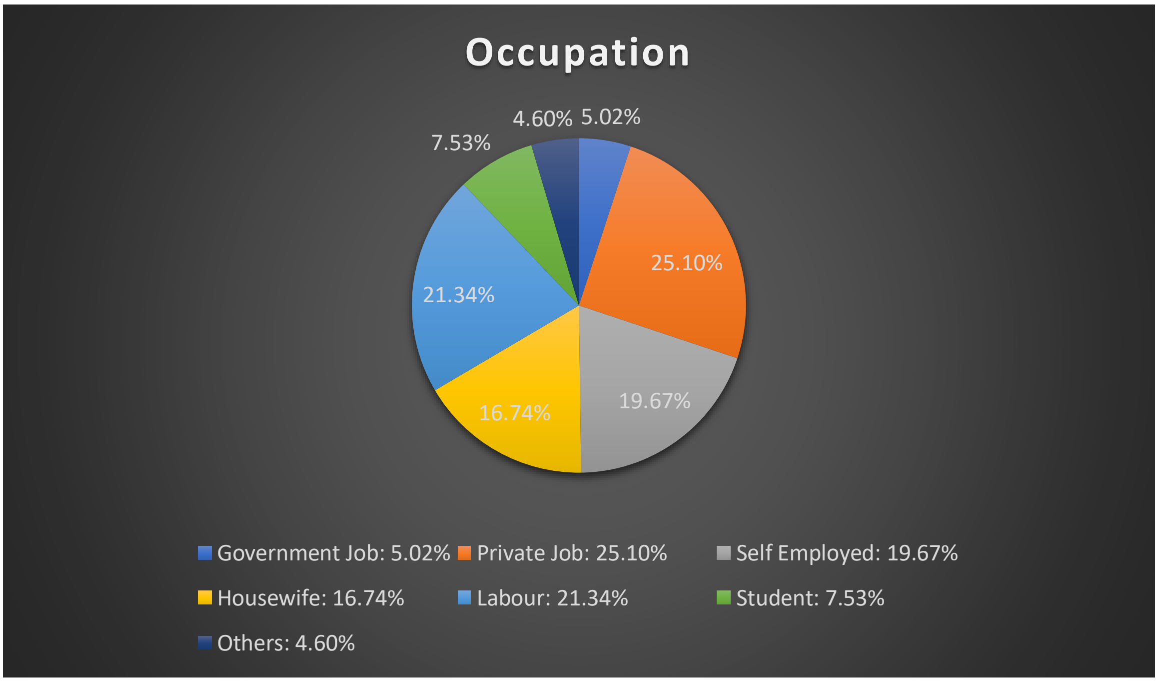
Out of 239 respondents: 61.92% are Hindus, 29.29% are Muslims, 7.53% are Sikhs, 0.84% are Christian and 0.42% belongs to other religion.

5.



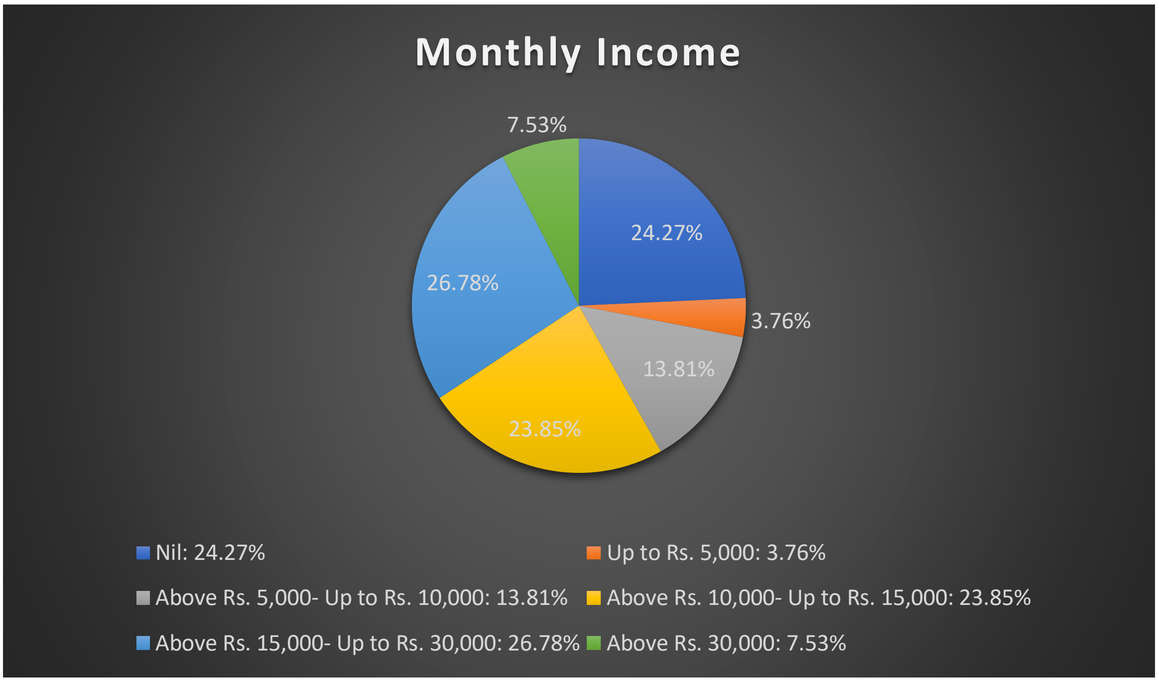
Out of 239 respondents: 0.42% are Doctorate, 3.35% are Post Graduate, 22.59% are Graduates, 1.26% are Diploma Holders, 23.43% have studied till Higher Secondary, 35.56% have studied lesser than Higher Secondary and 13.39% are illiterates.

6.



Out of 239 respondents: 5.02% had Government Job, 25.10% have Private Job, 19.67% are Self Employed, 16.74% are Housewives, 21.34% are Labour, 7.53% are Students and 4.60% are in Other Category.

DOI:10.9756/INTJECSE/V14I5.603 ISSN: 1308-5581 Vol 14, Issue 05 2022



Out of 239 respondents: 24.27% have no monthly income, 3.76% have monthly income up to Rs. 5,000/-, 13.81% are in monthly income bracket of above Rs. 5,000/- and up to Rs. 10,000/-, 23.85% are in monthly income bracket of above 10,000/- and up to Rs. 15,000/-, 26.78% are in monthly income bracket of above Rs. 15,000/- and up to Rs. 30,000/- and 7.53% earn above Rs. 30,000/- monthly.

Table 2 Perception of beneficiaries of Financial Inclusion (FI) schemes in Lucknow City

Sr. No.	Parameters	Mean Value	t Value	Sig
1	FI schemes have delivered what was expected	4.13	19.289	0.00
2	FI schemes are beneficial	4.47	13.597	0.00
3	FI has created new jobs	3.89	15.355	0.00
4	FI has improved economic status and reduced the level of poverty	4.13	30.238	0.00
5	FI has created positive economic impact on the society	3.97	15.579	0.00
6	**FI has improved participation in social activities**	**2.87**	**-1.685**	**0.051**
7	FI has improved the self-esteem of the members of society	4.05	7.345	0.00
8	FI has made people socially more active and empowered	4.19	25.112	0.00
9	FI has reduced your family crisis	3.91	13.781	0.00
10	**FI has raised your living standards**	**2.89**	**-1.231**	**0.011**
11	FI has created positive social impact on the society	4.13	32.531	0.00
12	FI has led to sustainable development of the society	4.49	18.796	0.00
13	Role of Bank employees are satisfactory in providing FI services	4.29	7.974	0.00
14	Role of Business Correspondents are satisfactory in providing FI services	3.79	24.507	0.00
15	Public Sectors Banks play a vital role in providing FI schemes	4.51	13.349	0.00

Source : From the Survey conducted, perception of beneficiaries of Financial Inclusion (FI) schemes in Lucknow City is analysed by the researchers

Table 2 evaluates the perception of beneficiaries of financial inclusion schemes in Lucknow City. It is observed that Financial Inclusion schemes has a positive impact on the beneficiaries of the scheme holders as "FI schemes have delivered what was expected" with the mean value of 4.13, "FI schemes are beneficial" with the mean value of 4.47, "FI has created new jobs" with the mean value of 3.89, "FI has improved economic status and reduced the level of poverty" with the mean value of 4.13, "FI has created positive economic impact on the society" with the mean value of 3.97, "FI has improved the self-esteem of the members of society" with the mean value of 4.05, "FI has made people socially more active and empowered" with the mean value of 4.19, "FI has reduced your family crisis" with the mean value of 3.91, FI has created positive social impact on the society with the mean value of 4.13, "FI has led to sustainable development of the society" with the mean value of 4.49, "Role of Bank employees are satisfactory in providing FI services" with the mean value of 4.29, "Role of Business Correspondents are satisfactory in providing FI services" with the mean value of 3.79 and "Public Sectors Banks play a vital role in providing FI schemes" with the mean value of 4.51. Moreover, "FI has improved participation in social activities" with mean value 2.87 and "FI has raised your living standards" with mean value 2.89 have expressed that the perception of the beneficiaries of these two parameters is negative.

- **Challenges in Promoting Financial Inclusion:** Though after launching of the Financial Inclusion schemes since 2014, the country has risen from a nascent stage of financial inclusion to a progressive or intermediate stage but still many hurdles needs to be overcome. Hence, some of the Bottlenecks which needs to be addressed are:

❖ **Demand Side Factors:** Illiteracy,Financial illiteracy, cultural and psychological Barriers, overdependence on moneylenders, lack of documentation, Minimum balance and other service charges etc.

❖ **Supply Side Factors:** Small customer base, High Set Up Cost, High Transaction Cost, Inadequate infrastructure availability etc.

- **Conclusion :**

Over the decades, to bring the vulnerable group to the financial mainstream, The Government of India, Reserve Bank of India and scheduled commercialbanks adopted a holistic approach and made sincere efforts to bring the indigent class under the banking umbrella. Hence, in spite of innumerable efforts no heartening, concrete or expected results were achieved so with a dire need to make financial inclusion drive a success and to ensure that all the citizens have - an easy access to saving bank accounts, pension schemes, credit facilities, adequate accidental and life insurance coverage various revolutionary financial inclusion schemes have been introduced since 2014. As Mean and t-test have been applied to analyse the result of the survey. From the survey conducted, it could be concluded that overall, the perception of beneficiaries of financial inclusion schemes in Lucknow City is good (positive).

- **Future Scope:**

Though many conceptual, empirical and analytical researches have been conducted over the decades on progress of financial inclusion initiatives, its impact etc. but still certain research gap still exists and there is sufficient room for future work in the related field. Some of the proposed future research may include analysing the expert's opinion on the financial inclusion schemes, analysing the role of PSB's employees, business facilitators/business correspondents, studying the hardships experienced by the beneficiaries in the usage of Alternative Delivery Channels etc.

Meanwhile, a collaborated effort of RBI, Government of India and scheduled commercial banks is also required for the introduction of a suitable mechanism for addressing customer grievances. Also, more focus needs to be given on innovative and user-friendlyAlternative Delivery Channels which are suitable for illiterate and deprived segment of the society.

References

1. Arun, T., & Kamath, R. (2015). Financial inclusion: Policies and practices. *IIMB Management Review*, 27, 267–287.
2. Bansal, A. (2012). Profitable models for financial inclusion. *Global Journal of Management and Research*, 1-9.
3. Becka, T., Senbetb, L., &Simbanegavic,W. (2014). Financial inclusion and innovation in Africa: An overview. *City, University of London Institutional Repository*.
4. Chowhan,S.S., & Pande, J.C. (2014). Pradhan Mantri Jan Dhan Yojana: A Giant Leap Towards Financial Inclusion. *International Journal of Research in Management & Business Studies, 1(*4).
5. Council of Economic Advisers Issue Brief (2016). Financial Inclusion in The United States, 1-18.
6. Dangi, N., & Kumar, P. (2013). Current situation of financial inclusion in India and its future visions. *International Journal of Management and Social Sciences Research,2* (8),155-166.
7. Dev, S. M. (2006). Financial Inclusion: Issues and Challenges. *Economic and Political Weekly, 41*(41), 4310-4313.
8. Ghatak, A. (2013). Demand side factors affecting financial inclusion. *The International Journal's Research Journal of Social Science & Management, 3*(1), 176-185.
9. Goel, S., & Sharma, R.(2017). Developing a Financial Inclusion Index for India. Procedia Computer Science, 122, 949-956.
10. Gorshkov, V.A. (2017). Financial Inclusion in Russia: Challenges for the Promotion of Long-Term Savings and Investment. *The Journal of Comparative Economic Studies*, 12,121–133.

11. Gupta, A., Chotia, V., &Rao, N. V. M. (2014). Financial inclusion and human development: A state-wise analysis from India. *International Journal of Economics, Commerce and Management, II*(5), 1-23.
12. Gupta, P., & Singh, B. (2013). Role of Literacy Level in Financial Inclusion in India: Empirical Evidence. *Journal of Economics, Business and Management,1*(3), 272-276.
13. Iqbal, B. A., & Sami, S. (2017). Role of banks in financial inclusion in India. *Contaduría y administración, 62*, 644-656.
14. Kapoor, P., & Singh, A. (2014). Study on financial services to excluded sectors through financial inclusion, *International Journal of Application or Innovation in Engineering & Management, 3*(2), 363-372.
15. Kritika (2015). An analysis of Pradhan Mantri Jan Dhan Yojana for sustainable inclusive growth in India. *International Research Journal of Management Sociology & Humanity, 6* (7), 139-150.
16. Kumar, M., & Mishra, K. (2015). Dwindling Levels of Financial Inclusion: An Exploratory Study in Lucknow, India. *Journal of Business Management & Social Sciences Research, 4(1), 39-44.*
17. Kumar, M.J.S., Pandian, P.S., & Nagarajan, N.R. (2020). A study on social insurance schemes in India with special reference to Pradhan Mantri Suraksha Bima Yojana scheme. *ICTACT Journal on Management Studies, 06*(02), 1233-1237.
18. Kumar, R. (2018). Stand Up India programme – An address to financial problems of micro and small scale manufacturing and production units. *International Journal of Mechanical and Production Engineering Research and Development, 8*(1), 1271-1278.
19. Kuri, P.K., &Laha, A. (2011). Financial inclusion and human development in India: an inter-state analysis. *Indian Journal of HumanDevelopment*, *5*(1), 61-78.
20. Mahajan, Y.D. (2019). A study and review of Pradhan Mantri Mudra Yojana (PMMY) in the state of Maharashtra. *International Journal of Advance and Innovative Research, 6*(2), 1-7.
21. Mitton, L. (2008). Financial inclusion in the UK: Review of policy and practice. *Joseph Rowntree Foundation.*
22. Muniraju, A. (2018). Financial Inclusion **-** A study of various Initiatives and suggestions for the Future. *International Journal of Management, Technology And Engineering, 8* (XII), 4373-4380.
23. Ozili, P.K. (2021). Financial inclusion in the U.S.: What we know. *Expert White Paper Series, No. 1*
24. Rachana, T. (2011). Financial inclusion and performance of rural co-operative banks in Gujarat. *Research Journal of Finance and Accounting*, *2* (6), 40-50.
25. Ramasubbian, H., &Duraiswamy, G. (2012). The aid of banking sectors in supporting financial inclusion - an implementation perspective from Tamil Nadu state, India. *Research on Humanities and Social Sciences, 02*(03), 38-46.
26. Sabu, N., &Sebastain, D. J. (2017). A study on financial inclusion level in the Indian context. *SSRG International Journal of Economics and Management Studies, 4* (6), 45-47.
27. Sandeep, J., & Sharma, N. (2015). A study on Atal Pension Yojana. *International Journal in Management and Social Science, 03*(07), 604-614.
28. Sharma, A., & Kukreja, S. (2013). An analytical study:Relevance of financial inclusion for developing nations. *Research Inventy: International Journal Of Engineering And Science, 2*(6), 15-20.
29. Sharma, R., Didwania, M., & Kumar, P. (2011). Need of financial inclusion for poverty alleviation and GDP growth. *International Journal of Multidisciplinary Research, 1*(6), 83-91.
30. Siddiqui, A. U. (2018). Financial inclusion in India- "A catalyst for sustainable economic growth**".** *International Journal of Management and Applied Science*, *4*(2), 61-68.
31. Srikanth, R. (2013). A Study on - Financial Inclusion - Role of Indian Banks in Reaching Out to the Unbanked and Backward Areas. *International Journal of Applied Research and Studies, 2*(9), 1-20.
32. Vohra, S. (2013).Financial inclusion – A road India needs to travel. *International Journal of Research in IT & Management, 3*(4),29-42.
33. Yadav, R.K., &Mohania, S. (2016). Pradhan Mantri Jeevan Jyoti Bima Yojana – A Case Study of Pradhan Mantri Jan Dhan Yojana. World Scientific News 31, 35-46.