



Status of Financial Inclusion amongst Tribal Population of Gadchiroli District – A Study

Dr. Shyam Khandare

PGTD of Sociology

Gondwana University, Gadchiroli

1.0 Introduction

Although India's economy accomplished extraordinary economic growth in the post-reform period, largely it has restricted itself to specific strata of the population. However, with no surprises, the marginalized and tribal population could not achieve the economic development as achieved by the other sections of the society. In view of this the Government of India has initiated an ambitious plan of financial inclusion among those who were left out. For this the Government agencies have implemented many schemes that would take this population in the mainstream of the economy. Though some of the macro-indicators have improved with this initiative, some old challenges remain, such as poverty, rural-urban disparities, social group inequality, and regional differences (especially in the tribal areas).

Simplistically, financial inclusion is the delivery of financial services at affordable costs to vast sections of disadvantaged and low income groups. Unrestrained access to public goods and services is the outcome of an open and efficient society. It is argued that as banking services are in the nature of public good, it is essential that availability of banking and payment services to the entire population without discrimination is the prime objective of public policy with no discrimination with respect to geographical areas. The Financial Inclusion Committee (2008) chaired by C. Rangarajan recommended ways to broaden the reach of the financial sector by minimizing the barriers to access financial services in order to cover excluded groups. The Reserve Bank of India and the National Bank for Agriculture and Rural Development were also concerned about the financial expulsion of many households.

Gadchiroli District in Maharashtra is amongst the most less privileged areas vis-à-vis infrastructure availability as well as penetration of Government's schemes in the tribal areas of the District. Since, many studies have shown that the area is home to a large number of tribal populations, who often could not benefit from numerous welfare and financial inclusion related schemes implemented by the Government of India. Hence, in view of the above, this study was carried out to determine the status of financial inclusion amongst tribal population of Gadchiroli District of Maharashtra.

2.0 Research Methodology

2.1 Study Area

In order to collect data from the tribal population the tribal people dominated parts of Gadchiroli District of Maharashtra was selected..

2.2 Universe of the Study and Research Design

All the tribal population residing in the Gadchiroli District of Maharashtra was considered as the universe of the study. The study was conducted by adopting a descriptive cross sectional research design.

2.3 Sampling Method and Sample Size

The non probability purposive sampling technique was used to select the samples for this study. A sample size of 300 was considered as the appropriate sample size.

2.4 Data Collection

The data was collected by using a structured research instrument i.e. an interview schedule. The interview schedule development was carried out with respect to the objectives of this study. Prior to data collection, reliability and validity of the interview schedule was estimated by employing test-retest method. The data was collected by using survey method and personal interaction.

2.5 Statistical Analysis of Data and Significance Level

The data generated in this study was analysed with the help of SPSS 18.0 software and the significance level was chosen to be 0.05 (or equivalently, 5%). Chi-Square Test was used to determine if a difference between observed data and expected data is due to chance, or if it is due to a relationship between the variables that are being studied.

3.0 Results and Discussion

3.1 Educational Qualification Tribal People

Table 1: Educational Qualification of the tribal people of study area

Educational Qualification	Frequency	Percent
Illiterate	90	30.0
Primary Education	140	46.7
Secondary Education	42	14.0
Higher education	28	9.3
Graduation & More	0	0.0
Total	300	100.0

Above **Table 1** presents results regarding the distribution of tribal people of study area with respect to their educational qualification. It is observed from the data that majority of respondents have taken education upto primary level (46.7%). In addition to this 30.0% respondents are illiterate while 14.0% respondents have taken education upto secondary level. Furthermore 9.3% respondents have taken higher education.

3.2 Type of Bank Account

Table 2: Type of Bank Account of the tribal people of study area have

Type of Account	Frequency	Percent
Regular	32	10.7
Jan Dhan Yojana	246	82.0
No Account	22	7.3
Total	300	100.0

Above **Table 2** presents results regarding the distribution of tribal people of study area with respect to type of bank account. It is observed from the data that majority of respondents have opened bank account under Jan Dhan Yojana (82.0%). In addition to this 10.7% respondents have regular account while 7.3% respondents do not have any bank account.

3.3 Household Annual Income

Table 3: Household Annual Income of the tribal people of study area

Annual Income	Frequency	Percent
Up to 30,000	129	43.0
30000 to 50000	89	29.7
50000 to 1 Lac	55	18.3
> 1 Lac	27	9.0
Total	300	100.0

Above **Table 3** presents results regarding the distribution of tribal people of study area with respect to their household annual income. It is observed from the data that majority of respondents have annual income upto 30,000 Rs. (43.0%). In addition to this 29.7% respondents have annual income of Rs. 30000 to 50000 while 18.3% respondents have annual income of Rs. 50000 to 1 Lac. Furthermore 9.0% respondents earn annual income of more than 1 Lac Rs.

3.4 Participation In Pradhan Mantri Suraksha Bima Yojana

Table 4: Participation of the tribal people of study area in Pradhan Mantri Suraksha Bima Yojana

Response	Frequency	Percent
Yes	18	6.0
No	246	82.0
Don't know	36	12.0
Total	300	100.0

Above **Table 4** presents results regarding the distribution of tribal people of study area with respect to participation in Pradhan Mantri Suraksha Bima Yojana. It is observed from the data that majority of respondents do not participate in Pradhan Mantri Suraksha Bima Yojana (82.0%). In addition to this 6.0% respondents participate in this scheme while 12.0% respondents are not aware about this scheme.

3.5 Participation In Pradhan Mantri Jeevan Jyoti Bima Yojana

Table 5: Participation of the tribal people of study area in Pradhan Mantri Jeevan Jyoti Bima Yojana

Response	Frequency	Percent
Yes	59	19.7
No	72	24.0
Don't know	169	56.3
Total	300	100.0

Above **Table 5** presents results regarding the distribution of tribal people of study area with respect to participation in Pradhan Mantri Jeevan Jyoti Bima Yojana. It is observed from the data that majority of respondents are not aware about Pradhan Mantri Jeevan Jyoti Bima Yojana (56.3%). In addition to this 19.7% respondents participate in this scheme while 24.0% respondents do not participate in this scheme.

3.6 Participation in Atal Pension Yojana

Table 6: Participation of the tribal people of study area in Atal Pension Yojana

Response	Frequency	Percent
Yes	13	4.3
No	219	73.0
Don't know	68	22.7
Total	300	100.0

Above **Table 6** presents results regarding the distribution of tribal people of study area with respect to participation in Atal Pension Yojana. It is observed from the data that majority of respondents do not participate in Atal Pension Yojana (73.0%). In addition to this 4.3% respondents participate in this scheme while 22.7% respondents are not aware about this scheme.

3.7 Participation In Jeevan Suraksha Bandhan Yojana

Table 7: Participation of the tribal people of study area in Jeevan Suraksha Bandhan Yojana

Response	Frequency	Percent
Yes	28	9.3
No	129	43.0
Don't know	143	47.7
Total	300	100.0

Above **Table 7** presents results regarding the distribution of tribal people of study area with respect to participation in Jeevan Suraksha Bandhan Yojana. It is observed from the data that majority of respondents are not aware about Jeevan Suraksha Bandhan Yojana (47.7%). In addition to this 9.3% respondents participate in this scheme while 43.0% respondents do not participate in this scheme.

3.8 Reason For Non Penetration of Financial Inclusion Schemes

Table 8: Reason for non penetration of various financial inclusion schemes in tribal area

Reason for non penetration of financial inclusion	Frequency	Percent
Lack of documents/ Legal barriers	153	51.0
Low Income	256	85.3
Complex formalities in the bank	167	55.7
Lack of or awareness	262	87.3
No bank branches in the area	217	72.3
All of the above	139	46.3

Above **Table 8** presents results regarding reason for non penetration of various financial inclusion schemes by the tribal people of study area. It is observed from the data that according to majority of respondents lack of awareness leads to non-penetration of financial inclusion schemes (87.3%). In addition to this according to 85.3%, 51.0% and 85.3% respondents Lack of documents/ Legal barriers, Low Income and Complex formalities in the bank leads to non-penetration of financial inclusion schemes respectively. Furthermore according to 72.3% respondents no bank branches in the area is the main reason while 46.3% respondents feel that all the above factors leads to non-penetration of financial inclusion schemes.

4.0 Conclusions

4.1 Educational Qualification Tribal People

- On the basis of the study results it is evident that most of the tribal people of study area have taken education upto primary level.

4.2 Type of Bank Account

- On the basis of the study results it is evident that most of the tribal people of study area have opened bank account under Jan Dhan Yojana.

4.3 Household Annual Income

- On the basis of the study results it is evident that most of the tribal people of study area have annual income upto 30,000 Rs.

4.4 Participation In Pradhan Mantri Suraksha Bima Yojana

- On the basis of the study results it is evident that most of the tribal people of study area do not participate in Pradhan Mantri Suraksha Bima Yojana.

4.5 Participation In Pradhan Mantri Jeevan Jyoti Bima Yojana

- On the basis of the study results it is evident that most of the tribal people of study area are not aware about Pradhan Mantri Jeevan Jyoti Bima Yojana.

4.6 Participation in Atal Pension Yojana

- On the basis of the study results it is evident that most of the tribal people of study area do not participate in Atal Pension Yojana.

4.7 Participation In Jeevan Suraksha Bandhan Yojana

- On the basis of the study results it is evident that most of the tribal people of study area are not aware about Jeevan Suraksha Bandhan Yojana.

4.8 Reason For Non Penetration of Financial Inclusion Schemes

- On the basis of the study results it is evident that most of the tribal people of study area feel that lack of awareness leads to non-penetration of financial inclusion schemes.

5.0 Bibliography

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