



THE ROLE OF FINANCIAL INCLUSION IN DIGITAL INDIA FOR RURAL DEVELOPMENT AT THOOTHUKUDI DISTRICT

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ABSTRACT

Honorable Prime Minister Narendra Modi announced the launch of the “Digital India Mission” on July 1, 2015. India is home to about 13 billion people, who live in 29 states and 9 union territories and make up roughly 600,000 villages and 640 districts. Over 850 million Indians, or 85% of the population, live in rural areas. A large portion of this population lacks simple access to financial services. The provision of financial services at fair prices is a key component in increasing financial inclusion in the country. The primary data that had been acquired were examined using a variety of statistical tools and techniques; their applications were chosen based on the study's objectives.

Keywords: Digital India, Financial Inclusion, Rural Development, statistical tools and fair prices

Introduction

“I Dream of Digital India Where mobile and E-Banking ensures Financial Inclusion” – Narendra Modi

Financial inclusion improves the accessibility of financial resources and develops among the poor the idea of saving. It represents a significant step toward inclusive progress. It aids the poor population's overall economic development. Effective financial inclusion in India is required to improve the underprivileged and poor by offering them tailored financial products and services. The Government of India launched the “Digital India” programme to bring fast internet to rural areas. PM Narendra Modi introduced the Digital India Mission on July 1, 2015. There are 29 states and more than 13 billion people in India. There are 640 districts and almost 600000 villages spread throughout 9 union territories. 85% of Indians, or over 850 million people, reside in rural areas. This population's substantial share is not given easy access to financial services. A major factor in raising financial inclusion in the nation is the availability of financial services at reasonable costs.

Objectives of the Study

- To comprehend the rural development in digital India based on financial inclusion
- To investigate the driving forces behind financial inclusion through Digital India.

Research Methodology

This study is descriptive because it discusses respondents' behaviour at several levels. The sources of the data were both primary and secondary. primary data gathered from a sample of rural respondents to customer surveys. Secondary information was gathered from numerous newspapers, websites, magazines, unpublished theses, journals, and government publications.

Sampling Design

The researcher uses Stratified Random Sampling Techniques to collect samples from 72 villages in Kovilpatti town. The objective of this study is to get first-hand information from a sample of 100 participants.

Framework for Analysis

Several statistical methods and techniques were applied to examine the primary data that had been gathered; their applications were determined based on the goals that had been set for the study.



Limitation of The Study

It might be challenging to generalize the findings because the study solely applies to the town of Kovilpatti. Otherwise, the scope would have been too wide, thus it was restricted to a particular sample size. Because the study is focused on the opinions and retention of rural customers, human bias may creep in.

Review of Literature

In their article titled “Financial Inclusion as an Enabler for Growth in Digital India: An Empirical Approach,” Gazal Sharma and Dr. Monika Mathur (2022) According to this study, digital banking is rapidly expanding in India as a result of the government's numerous efforts to spread new technologies to the country's urban and rural populations. Rural banking consumers in India still struggle to understand recently established digital payments. Dr. Monika Malik, Gazal Sharma, 2019 The Reserve Bank of India is concurrently making significant efforts to expand its banking network through the opening of new, high-tech branches, the installation of modern ATMs, the implementation of EBT, and the use of information and communication technology (ICT) to raise customer awareness levels regarding electronic

banking and mobile banking in India in both rural and urban areas.

In their essay titled “An Empirical Study of Financial Inclusion & Digital India,” Rajkamal Gupta and Dr. Bateshwar Singh (2021) The study concluded that the objectives of Digital India are process simplification and process improvement for the easier and quicker accessibility of various government services and benefits, the elimination of the middlemen concept in the provision of government services, and better monitoring of public works and distribution of public facilities. State governments are supposed to empower citizens and support the spread of the “digital India” concept throughout the entire nation. The Government of India's digital India plan is excellent. Its continued existence even after the initial seven-year target period demonstrates its applicability to contemporary India.

Financial Inclusion and Digital India is the title of an article written by Gurpreet Kaur in 2015. This study found that the expansion of financial inclusion will be accelerated by mobile banking. Only 36 million people used mobile banking in the 2014 fiscal year, but 257 million will do so by 2020. The objective of financial inclusion

will be achieved with the increased use of mobile banking.

Analysis and Discussion

Gender-Wise Classification of the Respondents

Men and women have different roles in society and culture, which can change from time to time and from place to place. In contrast, sex refers to the unchangeable, biologically defined distinction between them.

Table 1.6.1
Gender-wise Classification of the Respondents

S.No	Gender	No of Respondents	Percentage
1	Male	57	57
2	Female	43	43
Total		100	100

Source: Primary Data

Out of 100 responders, the preceding table demonstrates that 57% of them are men and the remaining 43% are women.

Age-Wise Classification of the Respondents

A time period in a person's life begins at birth and is measured in years. It is typically characterized by a particular stage or level of mental or physical development as well as the potential for legal responsibility.

Table 1.6.2

Age-wise Classification of the Respondents

S.No	Age	No of Respondents	Percentage
1	Below 20	10	10
2	Between 20 – 30	12	12
3	Between 30 – 40	33	33
4	Between 40 -50	35	35
5	Above 50	10	10
Total		100	100

Source: Primary Data

According to the above table, out of 100 respondents, 10% are under the age of 20, 12% are between the ages of 20 and 30, 33% are between the ages of 30 and 40, 35% are between the ages of 40 and 50, and 10% are over the age of 50.

Types of Bank Account

Table 1.6.3
Types of Bank Account

S.No	Types	No. of Respondents	%
1	Saving Account	20	20
2	Current Account	17	17
3	Zero Balance Account	40	40
4	Recurring Deposit Account	5	5
5	Fixed Deposit Account	18	18
Total		100	100



Source: Primary Data

According to the aforementioned table, out of 100 respondents, 40% have zero balance accounts, 20 have savings accounts, 18% have fixed deposit accounts, 17% have current accounts, and the remaining 5% have recurring deposit accounts.

2	Mobile Banking	25	25
3	Credit Card	10	10
4	Debit Card	20	20
5	Kisan Credit Card	10	10
Total		100	100

Banking Services

Table 1.6.4

Banking Services

S.No	Services	No. of Respondents	Percentage
1	Net Banking	35	35

Source: Primary Account

According to the above table, out of 100 respondents, 35% use online banking, 25% use mobile banking, 20% use debit cards, and the remaining 10% use credit cards and Kisan credit card services.

Influencing Factors of Financial Inclusion through Digital India

Table 1.6.5

Factors of Financial Inclusion through Digital India

S.No	Factors	SA	A	NO	DA	SDA	Total Mean	Means Score
1	Pradhan Mantri Jan Dhan Yojana	20	25	10	25	20	300	3
2	Atel Pension Yojana	35	25	12	18	10	357	3.57
3	Pradhan Mantri Vaya Vandana Yojana	30	10	15	18	27	298	2.98
4	Stand Up India Scheme	23	16	30	22	9	322	3.22
5	Pradhan Mantri Mudra Yojana	20	25	10	25	20	300	3
6	Pradhan Mantri Suraksha Bima Yojana	33	24	20	11	12	355	3.55
7	Sukanya Samridhi Yojana	32	26	15	22	5	358	3.58
8	Jeevan Suraksha Bandhan Yojana	25	23	22	16	14	329	3.29

Source: Primary Data

Sukanya Samriddhi Yojana obtained the highest means score (3.58%), which is unquestionably the highest means score that could be assigned.

Impact of Financial Inclusion

Table 1.6.6

Impact of Financial Inclusion

S.No	Impact	HS	S	N	DS	HDS	Total Weight Points	Weighted Average	Rank
1	Income Generation	20 (100)	25 (100)	30 (90)	10 (20)	15 (15)	325	325/15	21.67
2	Increase Asset Creation	20 (100)	20 (80)	35 (105)	10 (40)	15 (15)	340	340/15	22.66
3	Increase the Level of Saving	18 (90)	20 (80)	12 (36)	30 (60)	20 (20)	286	286/15	19.06
4	Increase the Borrowing Status	17 (85)	23 (92)	40 (120)	10 (20)	10 (10)	327	327/15	21.8
5	Increase the Standard of Living	35 (175)	20 (80)	25 (75)	10 (20)	10 (10)	360	360/15	24

Source: Primary Data

It is observed from Table 24 that the 1st rank is given to increasing the standard of living.

Conclusion

The efforts of Digital India to broaden participation in the financial system are ongoing. On this enormous undertaking, the government, financial institutions, regulators, the corporate sector, and the general public must all cooperate effectively. Even the poorest person may become empowered by financial inclusion in a digital India, drastically altering his fate. Technology today, more than ever, must be appreciated for its important contribution to

the social and economic integration of all strata.

References

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