

CONNOTATION OF FINANCIAL LITERACY ON FINANCIAL INCLUSION - A STUDY IN WEST GODAVARI DISTRICT

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Abstract

Financial inclusion is aimed at providing affordable access to the financial services and products to the under privileged sections of the society so as to make them part of the formal financial sector. The success of financial inclusion is dependent on the awareness of these services to the people through financial literacy which is a set of skills which enable the people to effectively manage their financial resources through savings, financial planning, basics of banking, acquiring credit facilities and making the people financially smart. It is perceived that the financial literacy is vital in promoting financial inclusion, consumer protection and financial stability. All these go simultaneously which equips the people to understand the benefits of availing the financial services which are offered by the mainstream financial institutions. The present paper highlighted the need of financial inclusion along with the financial literacy for the people to have better utilization of the various schemes aimed at improving their financial status. A survey is conducted on 300 respondents in the district of West Godavari to understand the level of awareness and usage of the various banking operations. It is observed that there is significant relationship among the education levels and occupation with the level of awareness and accessing the financial services among the select respondents. The paper concluded with few suggestions for the betterment towards the usage and awareness of the financial services and products.

KEYWORDS: Financial Inclusion, Financial Literacy, Inclusive Growth, Banking Sector, Reserve Bank of India.

INTRODUCTION

Most of the countries across the world had prioritized the financial inclusion which is viewed as key enabler for their economic development. It is observed that a significant portion of the working force lack access to the formal financial sector which is subject to policy concern for various countries. Financial inclusion is aimed at providing access to financial services in addition to helping the people in effectively managing their financial resource at their disposal to meet their financial requirements and at the same time build their financial capabilities (**Rama Lakshmi 2013**). Several financial reforms were undertaken by the countries to improve the usage of financial services and products along with the improvement in the financial depth. Despite these efforts there is observed low level of access to the financial services and products such as savings, loans, payment services etc (**Mohana Krishna 2017**). It is evident through various studies that there will be huge boost to the global economy if the un-banked segments are motivated to save through microfinance initiatives. The efficiency of the government social security schemes can be improved with the assistance of financial inclusion through innovations which reduce the transaction costs thereby prompting the private players to be associated

with the process (**Gowri 2015**). The wide range reach of the financial instruments enables new entrants from these disadvantages group who can be empowered.

The success of any product or service is dependent on the awareness of these among the people. Similarly the success of the financial inclusion is dependent on the levels of financial literacy among the rural people. Financial literacy paves the path for financial stability among the rural people of the society in specific and consumer protection in general (**Sadananda Prusty 2011**). Financial literacy is a combination of knowledge, skill, attitude which helps the seekers to take a financially stable decision towards the well being of an individual. Financial literacy is based on two concepts namely the access and literacy.

OBJECTIVES

- To understand the significance of Financial Inclusion.
- To understand the importance of Financial Literacy for Financial Inclusion.
- To analyze the significance of Education and Occupation on Financial Inclusion.

HYPOTHESIS

H1: There is significant relationship between Educational Qualification and the Awareness on various Banking Operations.

H2: There is significant relationship between Occupation and Availing of various Banking Operations.

LITERATURE REVIEW

It is observed that several research papers are presented on the concept of Financial Literacy and its significance on Financial Inclusion across the world with special emphasis on the Indian scenario from time to time. A detailed study was conducted by **Hilgert, Beverly (2003)** who observed that the financial practices pertaining to savings, investments, credit management etc were related to the financial knowledge of the people. **Thorat (2007)** observed that the general phenomenon to measure the financial inclusion in the country is to measure the number of savings account with the bank to the total adult population. In this study the author observed that majority of the adult population are financially excluded i.e around 40 percent of the adult population are not holding any account with any of the commercial banks. This percentage is varying among the place of the residence of the adult population where 62 percent of the rural population is not having bank account while around 40 percent of the urban adult population is not having any bank account to transact through formal financial institutions. It is also observed that nominal percentage of the accountholders is provided with less than 15 percentages. **Shantha Kurup (2010)** observed that the extent of financial exclusion is more among the older population and women as they are having less financial knowledge and awareness pertaining to financial issues. **Lusardi and Mitchell (2011)** identified that across the world the financial literacy is low and there is acute need for improving the financial literacy levels in order to increase the level of financial inclusion. Despite the presence of sophisticated financial markets in the country the level of financial literacy is less among the population of developing and few developed countries. **Sadananda Prusty (2011)** observed that different levels of financial literacy is prevailing across the various sections, demography in the country and also suggested that financial literacy has to be included into the demand side of the theoretical model of financial inclusion. **Chandran & Sandhya (2013)** highlighted on few aspects which negatively impacted the financial inclusion process in India. Some of the identified factors include the lack of proper technology to reach the diversified population segmented across the country, inefficient delivery mechanism of the financial services and products by the financial institutions, lack of proper business model to include the financially excluded into the formal financial system etc. **Sekhar M & Gowri M (2015)** emphasized on the steady increase of focus on the factors

contributing to financial inclusion and the Indian banking system is striving hard in making the poor part of the banking fold. **Gajendra Naidu (2017)** observed that the rural population is more inclined towards the traditional investment avenues rather than investing in better return yielding instruments which is mainly due to lack of financial literacy and also the masses are more risk averse rather than risk takers. **Blessy Roy, Ruchi Jain (2018)** identified large scale variation in terms of debt and financial literacy among the rural people and more evident among the women especially divorces, widowed, separated etc. **Arya P (2018)** observed that certain factors like gender, income, regularity in savings, occupation, and education do influence the magnitude of savings. And also it was observed that the magnitude of financial literacy among the salaried employees in the country is also not that encouraging. **Mohana Krishna (2019)** identified that the demographic, socio-economic factors do influence the level of financial inclusion among the population. When the progress of financial inclusion is compared to other countries, it was observed that the Indian progress is less and several factors are contributing to this. **Nisha Tony & Kavitha Desai (2020)** identified the need for improvement in digital financial literacy so that there can be ample growth in the process of financial inclusion. It is also observed that the efforts in financial inclusion is increasing in the country for the last few years through various initiatives like establishment of ultra small banks, service centers, green channel ATMs, mobile banking, kiosk based banking operations, induction of business correspondents etc. To conclude there are several initiatives undertaken by the banks and government to enhance the financial inclusion but still there is a lot to be done in this directions because of the vast area, population scattered across the country, low level of education levels among the people etc.

FINANCIAL INCLUSION AND FINANCIAL LITERACY

Financial Inclusion is the process of providing access to wide range of financial services at appropriate time and also at affordable price especially to the vulnerable sections of the society. Financial inclusion comprise of the basic bank account known as no-frill account, money transfer facilities, savings products based on the cash flows of the households, credit facility, life & non-life insurance facilities, pension schemes etc. With the advent of advanced technologies these services are being offered at lesser costs and Aadhaar based direct benefit transfer mechanism had transformed the financial inclusion process as an individual centric process. According to the Center for Financial Inclusion, financial inclusion is defined as a “*State in which everyone who can use them has access to a full suite of quality financial services, provided at affordable prices, in a convenient manner, with respect and dignity*”

Financial reforms in the country were dated back to 1990 with the motive to improve the efficiency in allocation and pricing the credit especially provided for the rural people through wider participation of various market forces. The Government started promoting financial inclusion from the 11th and 12th Five Year Plan documents though the idea was present prior to the reforms without proper nomenclature. There are several initiatives adopted by the government to have inclusive growth and one such initiative is Pradhan Mantri Jan Dhan Yojana popularly known as PMJDY which is aimed at having a universal zero balance account. This is a breakthrough from supply driven to demand driven mode of access. The bank account enables the customers to have access to savings, credit, remittances etc and paves the path for financial inclusion. Despite these ambitious plans there are several problems posed for the financial institutions in bringing the unbanked into the banking fold.

The revolution in the digital telecommunication had revolutionized the remittances and transfers of money in the banking system. The combination of Jan Dhan Yojana along with the Mobile and Aadhaar was utilized for the transfer the benefits of social security schemes directly into the accounts of the beneficiaries minimizing the leakages during the transfer of funds. These simplification procedures had given momentum for effective financial inclusion. Steps were initiated such that regular financial transactions are performed in the bank accounts rather than having stale bank account. Several insurance schemes were introduced to the vulnerable sections of the society so as to empower them and these are linked to the bank account and regular operations to these bank accounts. There are socio-economically marginalized sections which are financially excluded and these are the sections having lesser physical and digital access to banking service infrastructure. This situation restricts the user centric financial inclusion policies under taken by the government. There is need for

sustainable remote financial service delivery system and policies which are also culturally relevant can be aimed at improving the financial capability of indigenous sections of the population thereby enabling their financial inclusion. With these considerations, it is observed to have responsive regulatory frameworks, digital access to finance, and more consideration of behavioural constraints in financial inclusion programs.

Financial inclusion progress is dependent on the financial literacy levels among the rural people. Financial literacy is critical for consumer protection, financial stability thereby leading towards financial inclusion among the rural people. Financial Literacy is defined as “A combination of awareness, acquaintance, skill, attitude and behaviour necessary to make sound financial decisions and ultimately achieve individual financial well-being”. Financial literacy is the knowledge, skill, perception, attitude which assists to have financially stable decision aimed at the betterment of an individual. Financial literacy is based on two concepts namely the access and literacy. There are several financial products at offering for the people and the awareness along with adequate access is possible only through financial literacy. Financial Inclusion and Financial Literacy as treated as twin pillars. Financial literacy stimulates the demand side – making people aware of what they can and should demand. Financial inclusion acts from the supply side – providing in the financial market what people demand. Raising financial literacy supports social inclusion and enhances the wellbeing of the community. The knowledge about the risk and returns associated with the financial services ensures the extensive reach thereby having inclusiveness of the financial system.

The financial literacy programs were well structured and aimed at the women especially the underprivileged, low income groups, illiterates in those areas which are unbanked in the rural areas. The programs in India are designed such that every household is accessing credit facility along with awareness of grievance redressal mechanism as there is huge variation inclined towards financial literacy.

RESEARCH METHODOLOGY

The present study is conducted in three villages namely Tirumaladevipeta, Vallampetta and Velagapadu which have population of more than 2000. These are the villages are assigned to Syndicate Bank (which is now merged with Canara Bank) as part of the Financial Inclusion Plan (FIP) and these villages are served under the Borrempalem base branch. The banking services are offered to the customers through Business Correspondents who act on behalf of the bank. As part of the study, 100 respondents each from these villages are considered taking the total respondents to 300.

To ascertain the financial knowledge of the respondents a comprehensive questionnaire was designed along with their financial planning to collect the primary data. The questionnaire comprises of the questions to examine the individual’s financial literacy in matters related to general awareness, savings, borrowings, insurance, investment and retirement planning. The respondents have been asked questions on demographic issues, issues concerning general awareness on financial matters, personal finance and household finance. The awareness of the respondents on various financial services offered by the banks along with their usage and availing of these services which are helpful for them and also make them part of the formal financial services offered by the financial institutions.

Table 1: General Information of the respondents – Demographics Factors

Parameters		Respondents	Percentage
Gender	Male	147	49%
	Female	153	51%
Age Group	18-30	131	43.67%
	31-45	139	46.33%

	46-60	29	9.67%
	Above 60	1	0.33%
Education	No Formal Education	7	2.33%
	Below SSC	103	34.33%
	SSC / ITI	110	36.67%
	Inter / Diploma	23	7.67%
	Graduation	47	15.67%
	Post Graduation	10	3.33%
Occupation	Agriculture Labour	157	52.33%
	Business	11	3.67%
	Farmer	75	25%
	Home Maker	2	0.67%
	Job	29	9.67%
	Self Employed	22	7.33%
	Student	4	1.33%
Income Levels	Below 25000	10	3.33%
	Between 25001 and 50000	19	6.33%
	Between 50001 and 75000	128	42.67%
	Between 75001 and 100000	108	36%
	Between 100001 and 150000	35	11.67%

Source: Compiled from primary data.

Table 1 describes the general information of the respondents. Among the respondents, 147 are Male and 153 are Female. 139 respondents are in the age group of 31-45 years and 131 in the age group of 18-30 years. 110 respondents have educational qualification of SSC / ITI followed by 103 respondents with Below SSC qualification, 47 are Graduates and 10 are Post Graduates. 157 respondents are Agricultural Labour followed by 75 who are Farmers, 29 are doing Jobs and 22 are Self Employed. Regarding the annual income levels, 128 respondents have income as Between 50001 and 75000 followed by 108 respondents with Between 75001 and 100000.

Table 2: Education Qualification Vs Awareness levels of Banking Operations

	Level of Awareness					F Value	P Value	Result
	1	2	3	4	5			
Basic Banking Operations	0	0	48	180	72	1780.1	0	Accepted
Biometric Banking Facilities	124	80	32	35	29			
Cheque Book Facility	124	80	32	35	29			
Passbook Facility	0	27	81	116	76			

Locker Facility	178	39	58	23	2			
KYC Norms	178	0	80	39	3			

Source: Compiled from primary data. df (Between Groups) = 5, df (Within Groups) = 14265

1 – Not Aware, 2 – Slightly Aware, 3 – Somewhat Aware, 4 – Moderately Aware, 5 – Extremely Aware

Table 2 describes the relationship between Education Qualification and the Awareness levels on Basic Banking Operations. 180 respondents are Moderately Aware of the Basic Banking Operations followed by 72 respondents who are Extremely Aware and 48 respondents are Somewhat Aware. Pertaining with the Biometric Banking Facilities and Cheque Book Facility, 124 respondents each are Not Aware of this facility followed by 80 each are Slightly Aware, 35 each are Moderately Aware, 32 each are Somewhat Aware and 29 each are Extremely Aware. Regarding Passbook Facility, 116 respondents are Moderately Aware followed by 81 who is Somewhat Aware, 116 are Extremely Aware and 27 are Slightly Aware. 178 respondents are Not Aware of the Locker Facility followed by 58 are Somewhat Aware, 39 are Slightly Aware, 23 are Moderately Aware and 2 are Extremely Aware. Regarding the KYC Norms, 178 are Not Aware followed by 80 is Somewhat Aware and 39 are Moderately Aware.

The ANOVA (One-Way) test revealed F value of 1780.1 implying that significant relationship existed between the Education Qualification and Awareness of Basic Banking Operations with *p*-Value of 0.000 at $p < 0.05$. Thus the hypothesis is accepted.

Table 3: Education Qualification Vs Awareness levels of Bank Deposit & Credit

	Level of Awareness					F Value	P Value	Result
	1	2	3	4	5			
Depositing of Cash	0	0	90	138	72	438.02	0	Accepted
Withdrawal of Cash	0	0	61	145	94			
Fixed Deposit Scheme	19	41	89	98	53			
Recurring Deposit Scheme	21	41	89	98	51			
Agri-Gold Loans	26	37	81	95	61			
Agriculture Loans	10	5	107	157	21			
Business Loans	31	45	103	103	18			
Education Loans	44	29	110	87	30			
Personal Loans	22	64	130	67	17			
Vehicle Loans	6	32	104	126	32			
Loans from SHG	18	27	112	111	32			

Source: Compiled from primary data. df (Between Groups) = 10, df (Within Groups) = 20548

1 – Not Aware, 2 – Slightly Aware, 3 – Somewhat Aware, 4 – Moderately Aware, 5 – Extremely Aware

Table 3 describes the relationship between Education Qualification and Awareness levels on Bank Deposit & Credit Operations. It is evident that 138 respondents are Moderately Aware of Depositing Cash followed by 90 is Somewhat Aware and 72 are Extremely Aware. Regarding the Withdrawal of Cash, 145 respondents are Moderately Aware followed by 94 are Extremely Aware and 61 are Somewhat Aware. Similarly, Fixed Deposit Scheme is Moderately Aware by 98 respondents followed by 89 are Somewhat Aware, 53 are Extremely Aware, 41 are Slightly Aware and 19 are Not Aware of the facility. Recurring Deposit Scheme is Moderately Aware by 98 respondents followed by 89 are Somewhat Aware, 51 are Extremely Aware, 41 are Slightly Aware and 21 are Not Aware of the facility.

Agri-Gold Loans are Moderately Aware by 95 respondents followed by 81 are Somewhat Aware, 61 are Extremely Aware, 37 are Slightly Aware and 26 are Not Aware of the facility. Agriculture Loans are Moderately Aware by 157 respondents followed by 107 are Somewhat Aware, 21 are Extremely Aware, 5 are Slightly Aware and 10 are Not Aware of the facility. Business Loans are Somewhat Aware by 103 respondents followed by 103 are Moderately Aware, 45 are Slightly Aware, 18 are Extremely Aware and 31 are Not Aware of the facility. Education Loans are Somewhat Aware by 110 respondents followed by 87 are Moderately Aware, 30 are Extremely Aware, 29 are Slightly Aware and 44 are Not Aware of the facility. Personal Loans are Somewhat Aware by 130 respondents followed by 67 are Moderately Aware, 64 are Slightly Aware, 17 are Extremely Aware and 22 are Not Aware of the facility. Vehicle Loans are Moderately Aware by 126 respondents followed by 104 are Somewhat Aware, 32 each are Extremely Aware & Slightly Aware and 6 are Not Aware of the facility. Loans from SHG is Somewhat Aware by 112 respondents followed by 111 are Moderately Aware, 32 are Extremely Aware and 18 are Not Aware of the facility.

The ANOVA (One-Way) test revealed F value of 438.02 implying that significant relationship existed between Education Qualification and Awareness levels on Bank Deposit & Credit Operations with *p*-Value of 0.000 at *p* < 0.05. Thus the hypothesis is accepted.

Table 4: Education Qualification Vs Awareness levels of Other Bank Services

	Level of Awareness					F Value	P Value	Result
	1	2	3	4	5			
ATM Facility	1	40	90	101	68	1524.44	0	Accepted
Debit / Credit Card Service	118	49	83	40	10			
General Credit Card (GCC)	243	31	21	4	1			
Kisan Credit Card (KCC)	232	23	30	13	2			
Internet Banking Facility	183	46	49	16	6			
Mobile Banking Facility	201	25	31	29	14			
Financial Literacy	146	0	95	54	5			
Insurance / Pension Schemes	57	30	101	99	13			

Source: Compiled from primary data. df (Between Groups) = 7, df (Within Groups) = 2605

1 – Not Aware, 2 – Slightly Aware, 3 – Somewhat Aware, 4 – Moderately Aware, 5 – Extremely Aware

Table 4 describes the relationship between Education Qualification and Awareness levels on Other Bank Services. It is evident that 101 are Moderately Aware of the ATM facility followed by 90 are Somewhat Aware, 68 are Extremely Aware and 40 are Slightly Aware. Regarding Debit/Credit Card 83 are Somewhat Aware followed by 49 are Slightly Aware, 40 are Moderately Aware and 118 are Not Aware. 31 are Slightly Aware of the General Credit Card followed by 21 are Somewhat Aware, 243 are Not Aware. 30 are Somewhat Aware of the Kisan Credit Card followed by 23 are Slightly Aware, 13 are Moderately Aware and 232 are Not Aware. 49 are Somewhat Aware of the Internet Banking followed by 46 are Slightly Aware, and 183 are Not Aware. 31 are Somewhat Aware of the Mobile Banking followed by 29 are Moderately Aware, 25 are Slightly Aware and 201 are Not Aware. 95 are Somewhat Aware of the Financial Literacy followed by 54 are Moderate Aware, and 146 are Not Aware. 101 are Somewhat Aware of Insurance/Pension followed by 99 are Moderately Aware, and 30 are Slightly Aware.

The ANOVA (One-Way) test revealed F value of 1524.44 implying that significant relationship existed between Education Qualification and Awareness levels on Other Bank Services with p -Value of 0.000 at $p < 0.05$. Thus the hypothesis is accepted.

Table 5: Occupation Vs Availing of Banking Operations

		Occupation							F Value	P Value	Result
		1	2	3	4	5	6	7			
Basic Banking Operations	Yes	158	10	74	2	30	23	3	4682.28	0.00	Accepted
	No	0	0	0	0	0	0	0			
Biometric Banking Facilities	Yes	23	3	12	0	9	5	1			
	No	135	6	62	2	21	18	3			
Cheque Book Facility	Yes	23	3	12	0	9	5	1			
	No	135	6	62	2	21	18	3			
Passbook Facility	Yes	145	9	71	2	30	23	3			
	No	12	0	4	0	0	1	0			
Locker Facility	Yes	0	0	4	0	1	2	0			
	No	158	9	71	2	30	20	3			
KYC Norms	Yes	0	1	1	0	3	0	1			
	No	157	8	73	2	28	23	3			

Source: Compiled from primary data. df (Between Groups) = 4, df (Within Groups) = 7925

1 – Agriculture Labour, 2 – Business, 3 – Farmer, 4 – Home Maker, 5 – Job, 6 – Self Employed. 7 - Student

Table 5 describes the opinion of the respondents about the Basic Banking Operations and their Occupations. Out of the respondents who avail Basic Banking Services, 158 are Agriculture Labour followed by 74 Farmers, 30 Job holders, 23 Self Employed, 10 Business, 3 Students and 2 are Home Makers. There are no respondents who are not availing the Basic Banking Services. Biometric Banking Facility is availed by 23 Agriculture Labour, 12 Farmer, 9 Job while 135 Agriculture Labour, 62 Farmer, 21 Job, 18 Self Employed, and 6 Business are not availing this facility. Cheque Book Facility is availed by 23 Agriculture Labour, 12 Farmer, 9 Job, and 5 Self Employed while 135 Agriculture Labour, 62 Farmer, 21 Job, 18 Self Employed, and 6 Business are not availing

this facility. Passbook Facility is availed by 145 Agriculture Labour, 71 Farmer, 30 Job, 23 Self Employed, and 9 Business while 12 Agriculture Labour, 4 Farmer are not availing this facility. Locker Facility is availed by 4 Farmer, 2 each of Job and Self Employed and this facility is not availed by all the Agriculture Labour, Home Maker and Students.

The ANOVA (One-Way) test revealed F value of 4682.28 implying that significant relationship existed between Occupations and Basic Banking Operations with *p*-Value of 0.000 at *p* < 0.05. Thus the hypothesis is accepted.

Table 6: Occupation Vs Availing of Bank Deposit & Credit Services

		Occupation								F Value	P Value	Result
		1	2	3	4	5	6	7				
Avail Cash Operations	Yes	158	10	74	2	30	23	3	1542.9	0	Accepted	
	No	0	0	0	0	0	0	0				
Fixed Deposit Scheme	Yes	26	1	11	0	5	2	1				
	No	132	8	63	2	25	21	3				
Recurring Deposit Scheme	Yes	32	2	16	1	8	5	1				
	No	125	8	58	1	23	18	2				
Agri-Gold Loans	Yes	111	8	60	2	24	18	3				
	No	47	1	14	0	6	5	1				
Agriculture Loans	Yes	1	1	66	0	0	1	0				
	No	156	9	9	2	30	22	3				
Business Loans	Yes	0	3	0	0	5	4	0				
	No	158	7	74	2	25	19	3				
Education Loans	Yes	0	0	0	0	1	0	0				
	No	158	10	74	2	29	23	3				
Personal Loans	Yes	52	5	3	1	6	5	1				
	No	106	5	71	1	24	18	2				
Vehicle Loans	Yes	0	1	0	0	3	0	0				
	No	158	9	74	2	27	23	3				
Loans from SHG	Yes	46	2	23	1	8	7	1				
	No	111	7	52	1	22	16	3				

Source: Compiled from primary data. *df* (Between Groups) = 9, *df* (Within Groups) = 10981

1 – Agriculture Labour, 2 – Business, 3 – Farmer, 4 – Home Maker, 5 – Job, 6 – Self Employed. 7 – Student

Table 6 describes the respondents' opinion on availing Bank Deposit & Credit Facilities and their Occupations. It is observed that all the respondents are availing the Cash Operations of whom 158 are Agriculture Labour followed by 74 Farmer, 30 Job, 23 Self Employed, 10 Business, 3 Students and 2 are Home Makers. Fixed Deposit is availed by 26 Agriculture Labour, 11 Farmer, 5 Job, 2 Self Employed while 132 are Agriculture Labour, 63 Farmer, 25 Job, 21 Self Employed, 8 Business are not availing this facility. Recurring Deposit is availed by 32 Agriculture Labour, 16 Farmer, 8 Job, and 5 Self Employed while 125 are Agriculture Labour, 58 Farmer, 23 Job, 18 Self Employed, 8 Business are not availing this facility. Agri-Gold Loan is availed by 111

Agriculture Labour, 60 Farmer, 24 Job, 18 Self Employed, and 8 Business while 47 Agriculture Labour, 14 Farmer, 6 Job, and 5 Self Employed are not availing this facility. Agriculture Loan is availed by 66 Farmer while 156 Agriculture Labour, 30 Job, 22 Self Employed, 9 each of Business and Farmer are not availing this facility. Business Loan is availed by 5 Job, 4 Business while 158 Agriculture Labour, 74 Farmer, 25 Job, 19 Self Employed, 7 Business are not availing this facility. Education Loan is availed by 1 Job, and the remaining respondents have not availed the education loan. Personal Loan is availed by 52 Agriculture Labour, 6 Job, 5 Self Employed, and 5 Business while 106 Agriculture Labour, 71 Farmer, 24 Job, 18 Self Employed, and 5 Business are not availing this facility. Vehicle Loan is availed by 3 Job, 1 Business while the remaining are not availing this facility. Loan from SHG is availed by 46 Agriculture Labour, 23 Farmer, 8 Job, and 7 Self Employed while 111 Agriculture Labour, 52 Farmer, 22 Job, 16 Self Employed, and 7 Business are not availing this facility.

The ANOVA (One-Way) test revealed F value of 1542.9 implying that significant relationship existed between Occupations and Bank Deposit & Credit Facilities with p -Value of 0.000 at $p < 0.05$. Thus the hypothesis is accepted.

Table 7: Occupation Vs Availing of Other Bank Services

		Occupation							F Value	P Value	Result
		1	2	3	4	5	6	7			
ATM Facility	Yes	145	9	70	2	30	22	3	1915.7	0	Accepted
	No	13	0	4	0	1	1	0			
Debit / Credit Card Service	Yes	70	3	31	0	14	10	2			
	No	88	6	43	2	16	13	2			
General Credit Card (GCC)	Yes	2	0	3	0	1	0	0			
	No	156	10	71	2	29	23	3			
Kisan Credit Card (KCC)	Yes	0	1	8	0	3	4	0			
	No	157	9	67	2	27	19	3			
Internet Banking Facility	Yes	14	1	6	0	2	2	1			
	No	143	9	69	2	28	20	3			
Mobile Banking Facility	Yes	12	0	5	0	3	2	0			
	No	147	9	70	2	27	20	3			
Attend Fin Lit Programs	Yes	40	3	18	1	9	4	1			
	No	117	7	57	1	21	19	2			
Insurance / Pension Schemes	Yes	114	7	53	1	21	17	3			
	No	44	2	21	1	9	6	1			

Source: Compiled from primary data. df (Between Groups) = 7, df (Within Groups) = 13435

1 – Agriculture Labour, 2 – Business, 3 – Farmer, 4 – Home Maker, 5 – Job, 6 – Self Employed. 7 - Student

Table 7 describes the opinion of the respondents on other Bank Facilities. It is evident that ATM Facility is availed by 145 Agriculture Labour, 70 Farmer, 30 Job, 22 Self Employed, 9 Business while 13 Agriculture

Labour, 4 Farmer, 1 each of Job and Self Employed are not availing this facility. Debit/Credit Card is availed by 70 Agriculture Labour, 31 Farmer, 14 Job and 10 Self Employed while 88 Agriculture Labour, 43 Farmer, 16 Job, 13 Self Employed, 6 Business are not availing this facility. General Credit Card is availed by 3 Farmer, 2 Agriculture Labour, and 1 Job while 156 Agriculture Labour, 71 Farmer, 29 Job, 23 Self Employed and 10 Business are not availing this facility. Kisan Credit Card is availed by 8 Farmer while 157 Agriculture Labour, 67 Farmer, 27 Job, 19 Self Employed and 9 Business are not availing this facility. Internet Banking is availed by 14 Agriculture Labour, 6 Farmer, and 2 each of Job, Self Employed while 143 Agriculture Labour, 69 Farmer, 28 Job, 20 Self Employed and 9 Business are not availing this facility. Mobile Banking is availed by 12 Agriculture Labour, 5 Farmer, and 3 Job while 147 Agriculture Labour, 70 Farmer, 27 Job, 20 Self Employed and 9 Business are not availing this facility. Financial Literacy Programs are attended by 40 Agriculture Labour, 18 Farmer and 9 Job while 117 Agriculture Labour, 57 Farmer, 21 Job, 19 Self Employed and 7 Business are not availing this facility. Insurance/Pension is availed by 114 Agriculture Labour, 53 Farmer, 21 Job, 17 Self Employed and 7 Business while 44 Agriculture Labour, 21 Farmer, 9 Job and 6 Self Employed are not availing this facility.

The ANOVA (One-Way) test revealed F value of 1915.7 implying that significant relationship existed between Occupation and other Bank Facilities with p -Value of 0.000 at $p < 0.05$. Thus the hypothesis is accepted.

IMPLICATIONS OF THE STUDY

The present study can help both the customers' as well financial institutions especially the commercial banks that are the vital base who are paving the path of inclusive growth. With the responses given by the respondents, the Banks are in a position to ascertain the respondents' opinion on the various facets of the banking services rendered to them. The finding can be useful for the Banks to improve the provided products and services to the customers. The study enables the banks to consider other facets to empower women through micro enterprises as part of financial inclusion, improve financial literacy, sustainable inclusive banking practices and implement effective financial discipline mechanism to achieve financial inclusion. It is also affirmative to the Banks while introducing new schemes to the customers.

SCOPE FOR FUTURE STUDY

The present study is confined to three villages of West Godavari district and in future similar kind of research can be conducted in other villages of the district and also in other districts also. The sample size can be further enhanced so that wider range of responses can be arrived to so as to have a better understanding of the activities of financial literacy campaigns and their impact on the financial inclusion. The strategies adopted by the Banks can be reviewed on a continuous basis so that new services are made available which can cater to the financial requirements of the rural segments of the society.

SUGGESTIONS

It is observed that the level of education qualifications has impact on the level of awareness and usage of the banking services and operations. It is therefore dire needed to induce the level of financial literacy among the rural poor so as to make them aware of the various financial services and products that are available with the banks through which the access to banking operations and services can be improved. There should be continuous efforts from the government, financial institutions, NGOs etc to impart financial literacy programs among the rural people who are either financially excluded or under served by the formal financial institutions.

CONCLUSION

The major motive for the initiation of financial inclusion is to enable the people, especially the rural poor, to inculcate the savings habit with the formal financial institutions and avail loans at affordable rates as per their requirements. It is observed that all the intended financial literacy programs aimed at improving the financial behavior of the customers were of little success thereby falling short of the expected levels of financial inclusion. The financial literacy programs are promoting the advantages of formal financial institution services and products which form the demand side while the access to these financial services and products form the supply side of the financial inclusion. These supply and demand sides are to be properly coupled in order to attain effective and efficient financial stability particularly among the rural poor. From the study, it is evident that the financial literacy varies based on the education levels and other rationalities of the respondents. The awareness and access to the financial services and products is observed to be low among the considered respondents of the three villages in the West Godavari district. Steps should be from all the stakeholders in the process to have a better financial literacy levels and also the usage of the financial services provided by the banks.

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