Table of Contents

Certificate i
Acknowledgement ii-iii
Abstract iv-v
Table of Contents vi-xi
List of Tables xii-xiv
List of Abbreviations xv-xvii

Chapter 1
INTRODUCTION 1 - 36
1.1 Introduction 1
1.2 Financial Exclusion 4
1.2.1 Factors Responsible for Financial Exclusion 6
1.3 Financial Inclusion 9
1.3.1 Steps Initiated by RBI 12
1.3.2 Steps Recently Initiated by Government of India 16
1.4 Financial Literacy 17
1.5 Microfinance and Financial Inclusion 18
1.5.1 SHG-Bank Linkage Program (SBLP) 20
1.5.2 Micro Finance Institutions (MFIs) 22
1.5.4 Legal Structure and Regulation for Microfinance Sector 23
1.6 Technology and Financial Inclusion 24
1.6.1 Commonly Promoted Technologies for Financial Inclusion 26
1.7 Recommendations of Various Committees on 28
Financial Inclusion

1.7.1 Recommendations of Rangarajan Committee
1.7.2 Recommendations of Nachiket Mor Committee

1.8 Financial Inclusion in Present Scenario

1.9 Significance of Financial Inclusion

1.10 Rationale of Study

1.11 Objectives of the Study

1.12 Structure of the Study

Chapter 2

REVIEW OF LITERATURE

2.1 Inclusive Growth and Financial System

2.2 Delineating the Financial Inclusion

2.3 Financial Inclusion in World Scenario

2.4 Financial Inclusion in India

2.4.1 Financial Literacy and Financial Inclusion

2.4.2 Availability of Financial Services

2.5 Role of Financial Institutions in Financial Inclusion

2.6 Role of Technology in Financial Inclusion

2.7 Role of Post Office Saving Banks (POSBs) in Financial Inclusion

2.8 Measuring Financial Inclusion

Chapter 3

RESEARCH METHODOLOGY

3.1 Research Design of the Study
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1.1 Data Description</td>
<td>81</td>
</tr>
<tr>
<td>3.1.2 Sampling Design</td>
<td>82</td>
</tr>
<tr>
<td>3.1.3 Study Area</td>
<td>83</td>
</tr>
<tr>
<td>3.1.4 Definitions of Rural Area and Rural Household</td>
<td>85</td>
</tr>
<tr>
<td>3.2.1 Defining the Rural Area</td>
<td>85</td>
</tr>
<tr>
<td>3.2.4.2 Definition of Rural Household</td>
<td>85</td>
</tr>
<tr>
<td>3.2.4 Defining the Rural Area</td>
<td>85</td>
</tr>
<tr>
<td>3.2.4.2 Definition of Rural Household</td>
<td>85</td>
</tr>
<tr>
<td>3.2 Research Methods</td>
<td>86</td>
</tr>
<tr>
<td>3.2.1 Index of Financial Inclusion (IFI)</td>
<td>86</td>
</tr>
<tr>
<td>3.2.1.1 Methodology of Index</td>
<td>89</td>
</tr>
<tr>
<td>3.2.2 Binary Logistic Regression</td>
<td>92</td>
</tr>
<tr>
<td>3.2.2.1 Hypotheses</td>
<td>96</td>
</tr>
<tr>
<td>Chapter 4</td>
<td></td>
</tr>
<tr>
<td>EXTENT OF FINANCIAL INCLUSION</td>
<td>97-116</td>
</tr>
<tr>
<td>4.1 World Wide Usage of Financial Services</td>
<td>97</td>
</tr>
<tr>
<td>4.2 The Progress in Financial Inclusion in India</td>
<td>100</td>
</tr>
<tr>
<td>4.2.1 Bank Outlets</td>
<td>100</td>
</tr>
<tr>
<td>4.2.2 Kisan Credit Card (KCCs)</td>
<td>100</td>
</tr>
<tr>
<td>4.2.3 General Credit Card (GCCs)</td>
<td>101</td>
</tr>
<tr>
<td>4.2.4 Number of ATMs of Scheduled Commercial Banks in India</td>
<td>101</td>
</tr>
<tr>
<td>4.2.5 Performance of Financial Literacy Activities</td>
<td>102</td>
</tr>
<tr>
<td>4.2.6 Financial Inclusion Plan-Summary Progress of all Banks including RRBs</td>
<td>103</td>
</tr>
<tr>
<td>4.2.7 Performance of Pradhan Mantri Jan Dhan Yojana</td>
<td>105</td>
</tr>
<tr>
<td>4.3 Banking Statistics in India</td>
<td>106</td>
</tr>
<tr>
<td>4.3.1 Region Wise Banking Statistics on Deposit and Credit in India</td>
<td>106</td>
</tr>
<tr>
<td>4.3.2 State Wise Banking Statistics on Deposit and Credit</td>
<td>107</td>
</tr>
</tbody>
</table>
in India
4.3.3 Population Group Wise Banking Statistics on Deposit and Credit in India
4.3.4 Population Group Wise Number of Bank Branches of SCBs in India

4.4 The Banking Statistics in Haryana
4.4.1 District Wise Banking Statistics on Deposit & Credit in Haryana
4.4.2 District and Population Group-Wise Deposits and Credit of SCB's

Chapter 5
DATA ANALYSIS AND DISCUSSION: PRIMARY SURVEY

5.1 Demographic Profile of Respondent Rural Households
5.2 Current Status of Financial Inclusion among Rural Households in Haryana
   5.2.1 Number of Bank Accounts in Rural Areas in Haryana
   5.2.2 Frequency of Usage of Bank account
      5.2.2 (A) Analysis of Variance
   5.2.3 Purposes of Holding Bank Account by Rural Households
      5.2.3 (A) Analysis of Variance
   5.2.4 Distribution of Rural Households having Accounts in various Banks
   5.2.5 Number of POSB Account Holders in Rural areas of Haryana
5.2.6 Distribution of Rural Households Depositing Money

5.2.7 Status of Credit Availed by Rural Households in Haryana

5.2.8 Reasons for Not Availing Credit from Formal Financial System in Haryana
  5.2.8 (A) Analysis of Variance

5.2.9 Status of Fixed Deposit with Formal Financial System by Rural Households in Haryana

5.2.10 Status of Insurance Policy Held by Rural Households in Haryana

5.2.11 Status of SHGs’ Membership Held by Rural Households in Haryana

5.3 Awareness Level of Financial Services among Rural Households
  5.3.1 Awareness of Financial Services in Mahendergarh District
  5.3.2 Awareness of Financial Services in Fatehabad District
  5.3.3 Awareness of Financial Services in Karnal District
  5.3.4 Awareness of Financial Services in Gurgaon District
  5.3.5 Awareness Level of Financial Services in Rural Areas of Haryana
  5.3.6 Sources of Awareness about Financial Services

5.4 Role of Technology in Financial Inclusion among Rural Households
  5.4.1 Use of Technology among Rural Households in Mahendergarh District
  5.4.2 Use of Technology among Rural Households in Fatehabad District
  5.4.3 Use of Technology among Rural Households in
Karnal District
5.4.4 Use of Technology among Rural Households in Gurgaon District
149

Gurgaon District
5.4.5 Use of Technology among Rural Households in Haryana
150

Haryana
5.4.6 Frequency of Monthly Usage of Debits/ATMs
151
5.4.7 Frequency of Monthly Usage of Internet Banking
152
5.4.8 Frequency of Monthly Usage of Mobile Banking
153

5.5 Impact of Scocio-economic Variables on Financial Inclusion: Binary Logistic Estimation
155

Chapter 6
MEASUREMENT OF FINANCIAL INCLUSION: INDEX OF FINANCIAL INCLUSION
158-164

6.1 Index of Financial Inclusion for Rural Population in Haryana
158
6.1.1 Level of Financial Inclusion in Rural Haryana
161

6.2 Estimation of Step Wise Regression Model
163

Chapter 7
FINDINGS OF THE STUDY AND CONCLUSION
165-176

7.1 Findings of the Study
165

7.2 Recommendations of the Study
172

7.3 Conclusion
174

Bibliography
177-192

Appendix
193-201