CHAPTER 6
Findings, Suggestions and Conclusion
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6.1 Findings

On the whole, the study identifies the issues related to the financial inclusion initiatives taken towards the Santal tribes of Odisha by the governments through the public sector banks. From the perspectives of both the selected Santal tribes and the bank officials operating in the districts were analyzed and suitable interpretation drawn based on their responses. In this segment, various findings based on the analysis have been recognized under different headings that have been focused in the questionnaire.

6.1.1 Socio-Demographic Details of the Respondents of Santal Tribe

- **Age Groups of the Respondents** – Since majority of the respondents are in the age group of below 40 who have understood the benefits of having accounts in the banks and are also receptive of the FIP initiation taken by the governments.

- **Gender** – Three fifth of the women respondents are found who make use of the banking products more than men influenced by SHGs.

- **Number of Earning Members of the Family** – With the bonded family set up, almost all the family members get engaged in some sort of occupations and earn for their family. The fact has facilitated effective financial inclusion among Santal tribal households.

- **Education** – In spite of the dropout from schools, a good number of them have completed their intermediate education, some have become graduates and diploma holders and few are post-graduates too. This has favoured the spreading of the governmental policies and programs towards financial inclusion.

- **Whether Employed or Not** – Almost all of the selected respondents are employed either in primary or in secondary or in service sector. Overall prevalence of poverty, primitive way of living and need to sustenance of their existence are the contributing factors for their employment in some job or other.
Respondents Employed in – Most of the respondents engage in dual occupation due to season factor and unexpected availability of work. They also shift their occupation as a routine feature that shows they are getting civilized gradually.

Monthly Income of the respondents – Even though most of the members in the family are engaged in some occupation and earn for their livelihood, still the total monthly income put together is not just enough to manage their living. In spite of this, the respondent understands the importance of saving in banks.

Monthly Income of the Family – The collective income of the family members is not supportive for a comfortable living condition. Still their contended needs and low level of asset base have made them to save for their future, buy equipments and improve their standard of living. This social phenomenon has necessitated for link with the banks.

6.1.2 Banking Exposure of the Respondent

Tribal Respondents Holding Bank Account – The initiatives taken by the state and central governments along with public sector banks is apparent from the fact that they are well informed about the benefits of holding bank accounts.

Present of Post-office in the Village of the Respondents – Even though the post office are identified as the part of the FIP, their presence is not found in all the villages which mounts the pressure on the banking sector to open its branches in unbanked tribal areas and villages.

Types of Accounts the Respondents have – All of them hold accounts in banks in some form or other which shows the success of the governmental efforts to bring all the deserving population in the tribal belt into formal banking network. Still the existence of informal group and chit fund is prominently is also revealed.

Types of Accounts Operated – Nearly three-fifth of the account holders in the target group is women population. Among them, a considerable portion of them hold joint account with their SHGs and operate effectively.

Institutions in Which Accounts are held – The tribal population maintain accounts not only in public sector banks but also in the post offices and
cooperative societies. Some of the private sector banks also operate in those areas having bank accounts of few tribal customers.

- **Introduction of Bank Accounts to the Respondents** – Since SHGs are informally bonded with the tribal society, they play a vital role in spreading the banking habit among the tribal communities. They cooperate with formal banking sector and contribute a strong support to the success of implementing various schemes and policies of banks.

- **Medium of Banking Operation** – Along with conventional branch offices, banking sector also operate through bank correspondents, ultra small branches and customer service points. These agencies penetrate deeper and support the financial inclusion process intensely in the tribal areas.

- **Reasons for Operating the Bank Account** – The functioning of banking sector has been intensified with the aim of ‘including the excluded’. This mission is highly successful since the tribal customers have understood that holding bank accounts is not only for saving purposes but also to get banking aids and support.

- **Regular Usage of Banking Products and Services** – Still the respondents have not availed the varied services and products. They are content with the conventional banking services of lending and borrowing.

- **Insurance Policy taken by the Respondents** – Despite their meagre earning to support their livelihood, it is inspiring to know that they do save through insurance schemes which also act as a vehicle for FIP initiation.

### 6.1.3 Banking Operation of the Respondents

- **Bank Account Operational or Not** – Almost all the respondents do maintain their bank account at least with Rs. 500. Thus the saving habit has brought them closer to the formal banking network and supports the efforts taken by the governmental agencies towards FIP.

- **Institution in Which the Fund is saved** – Through reformation process, the banks have succeeded in bringing out the tribes from the clutches of indigenous money lenders and unorganized financial network. Over the years, the tribes and
village inmates have reduced their dependence on the local money lenders and turn towards banks for their needs.

- **Frequency of Operating Accounts** – With the regular income source and since majority of respondents are women, they do save some amount either in banks or in the groups in which they belong to.

- **Amount Maintained by the Respondents** – In general, a considerable portion of the respondents maintain a nominal amount with their branches or agencies despite of their poverty, domestic commitment and illiteracy. This practice will go a long way as a support to the FIP and strengthens the governmental projects.

- **Reasons for Saving Money** – The tribal community give priority to their customs and conventions. In spite of their primitive life style, some of them save money to fund for their business operation, to buy equipment or for productive purposes.

- **Source of Money in Need of Emergency** – It is notable point that the respondents get financial support from neighbours, banks, SHGs and NGOs during emergency. Thus, the practice of depending on the local money lenders is slowly diminishing.

- **Source and Amount borrowed by the Respondents** - As per the information collected from the respondents, not even one have sought after the local financial institutions for their borrowing. It is the level of success that the FIP has achieved by educating about the evils of informal money lending and advantages of organized banking operations.

- **Reasons for Choosing the Institution for Borrowing of Loan** – Accessibility and the provision of low rate of interest are the two guiding forces used by the respondents in selecting the institutions. They don’t give much importance to factors like - terms and conditions, availability of specific loan in their selection process.

- **Reasons for Borrowing Money** – A considerable portion of the respondents get loan for the educational purposes. Also many of them use the loan to purchase some assets and to support their occupation. All these show that the mission of FIP has gained considerable momentum in elevating the living condition of the tribal community.
6.1.4 Accessibility, Banks’ Focus and the Impact of Financial Inclusion

A. Accessibility of Banks by the Respondents

- **Banks encourage no-frill account holders by providing credit facilities** – By motivating the respondents through opening of no-frill accounts, banking sector support the FIP by augmenting the customer base of the public sector banks.

- **Banks provide different schemes to support the financial needs** – With varied needs of the tribal communities as per the customs and working conditions, banks operating in these areas provide diverse schemes which enable the banking sector to refine them for the future.

- **Banks give adequate information on products and services available** – Along with routine services, banks do educate their customers by providing information about the new schemes to suit their requirements.

- **Banks have enhanced saving habit among the community** – One of the prime aims of FIP is to eradicate poverty by cultivating saving habits among the target groups which has been well supported the response.

- **Deserving people are provided access to timely and adequate credit** – The objective of FIP is also to remove the villagers from the bondage of indigenous money lenders. This is partly solved by banks through the provision of timely and adequate credit facilities.

- **Banks attend the grievances of the customers promptly** – With the formal structure of banking sector, it is true that, the officials are unable to attend the grievances of the respondents in time, which has been reflected by the respondents.

- **Banks treat all customers equally without discrimination** - It is difficult to expect that banks to treat all the customers equally. With the constraint of time, work load and other official routines, banks do find hard to attend the customers equally.

B. Banks’ Focus towards Financial Inclusion

- **Banking transactions are simplified and provided in the local language** – Being the majority of customers are illiterate, banks’ transactions and the procedures need to be simplified and in their vernacular languages to give more
focus to the deserving population, have been taken care by the banking sector, vividly.

- **Banks provide personalized services to the community readily** – More than the products and services, the targeted customers need a soothing atmosphere and personalized services, which is satisfied considerably, by the public sector banks operating in the tribal areas.

- **Banks' terms and conditions are acceptable to those who opt for credit facility** – With the experience of operating in the rural areas, the banking industry have focused on the issues that need to be addressed. Accordingly, the terms and conditions are made acceptable for those who approach banks for credit needs.

- **Banks provide doorstep services to customers, especially cash transaction** – By networking with bank correspondents, NGOs and SHGs, banks move towards the respondents and provide facility to save and to obtain loan.

- **KYC documentation requirements simplified for the account holders** – Documentation and other procedural needs are simplified by the banks to remove the gap between them and the rural population.

- **Bank agents are trustworthy and reliable persons** – Since, in most cases, bank agents' liaison between them and the targeted respondents and they need to be trustworthy and reliable persons, which have been endorsed positively.

- **Banks offer customers cards and encourage in using them** – With the support of banking technology, customers are approached closer with the help of e-cards. These have a positive impact in the usage of banking services over the years.

C. Impact of Financial Inclusion on the Respondent

- **Banks have really identified the needs of the excluded under FI scheme** – Banks act as the agents of the government, by providing support to the government plans and policies. Still the banks need to identify the issues and concerns of the targeted respondents in the tribal regions.

- **Target people are stimulated to open accounts due to FIP** – The wider customer base in the banks has become possible only with the initiation of FIP vigorously, which is highly supported by them.

- **NGOs/SHGs provide honest services under FI plan** – The bank agents like
NGOs and SHGs have provided a strong linkage between the tribes and the banking sector and provide genuine service through their personal relationship.

- **NGOs/SHGs expect commission for services extended by them under FI plan** – It is a issue of concern that NGOs and SHGs get commission for their services, but is widely justified to cover up the cost of mobility and time they spend.

- **Customers are proud to have bank account under FI plan** – The customers get social recognition by holding accounts in the public sector banks and feel elated while responding to this question.

- **Villages are provided with bank branches/agents under FI plan** – Wherever banking sector find hard to reach the people, it is served by the bank agents who personally visit them and provided the needed banking services.

- **FI plan has created employment opportunities for us** – Through loans and subsidies, banks create employment opportunities to their customers and support in their endeavour.

- **FI plans encourage in finding new avenues of revenue** – As a collective initiative with the governmental agencies, banks do identify new avenues for earning for their livelihood, which have made a positive impact among the respondents in terms of awareness and accessibility.

### 6.1.5 Comparison between Gender and Other Demographic Variables - Using the Chi-square Test

- **Gender with Education** – Women form the major proportion of sample selected and a considerable number of them are illiterate. Some of them were dropouts discontinuing after 8th standard and go for some menial job to support their family financial needs.

- **Gender with Monthly Income of the Individual** – Among the respondents, almost all are engaged in some occupation. The monthly income of the individual varies from `500 to `4,000. The income of the male population is more than that of female for they travel faraway place and also engages in odd jobs.

- **Gender with Monthly Income of the Family** – Obviously the contribution towards the monthly income of the male members is higher than that of female respondents.
Gender with Various Occupations

- **Farming** – With the rural atmosphere, the source of earning comes from the farming occupation for the tribal community. Both men and women engage in the agricultural activity and earns for their livelihood.

- **Animal Husbandry** – Like farming, animal husbandry is also taken both by male and female with the slight edge by women over men in the proportion of engaging in this occupation.

- **Forestry** – Women respondents engage in this occupation than men who involve in collecting herbal leaves for making plates and beedies, roots for medical purpose and seeds for making oil.

- **Poultry Farming** – Irrespective of gender variation, this occupation is taken by the tribal respondents for its popularity and income generation. This occupation provides good revenue flow to the family through the sale of the eggs and fowl.

- **Daily Labour** – Most of the women respondents are daily labourers who engage in the job near to their place and earn meagre amount for the livelihood. Only a small proportion of men are engaged as daily labourers.

- **Government Department** – It is positive to note that tribal people are employed in Government departments and more men population is engaged in this than female tribes.

- **Private Department** – Male tribes are employed in private organisation more in number than the female respondents.

- **Occupation in Any Other Fields** – Other than the above types of occupation, a considerable number of respondents, mainly women are engaged in cottage industry, tailoring, selling homemade items and owning petty shops.

### 6.1.6 Comparing Gender with Variables of Accessibility of banks, Banks’ Focus and the Impact of Financial Inclusion using Mann-Whitney Test

- **Accessibility of Banks** – The male respondents have highly rated the accessibility of banks than women respondents.

- **Banks’ Focus** – In this regard also, male respondents have given high rating than the female respondents.
Impact of Financial Inclusion – Pertaining to this, female respondents find that there is higher impact towards financial inclusion, as they move closely with the banks through SHGs, compared to male respondents.

6.1.7 Comparing Demographic Variables with Accessibility of banks, Banks’ Focus and the Impact of Financial Inclusion using Kruskal-Wallis Test

- **District with Associated variables** - Among the selected three districts, Balasore district respondents access the banking products and services more than the other two districts. Balasore district is ranked high in this regard, followed by Mayurbhanj and Keonjhar districts, as this district has more educated population and fewer tribals. In this respect also, Balasore district edges over other districts as they realize the impact of financial inclusion more.

- **Age Category with Associated Variables** - It portrays that the respondents in the age group of above 41 access bank notably more than the respondents of age group of below 40. It is understood that focus is given by the banks to all regardless of age and gender. Likewise, banks have made impact on every one whoever came in contact with banks and made use of products and services.

- **Religion with Associated Variables** - The respondents belonging to three major religions have found that the accessibility is uniform without disparity. In the same way, the respondents expressed their views towards the focus and impact scores.

- **Education with Associated Variables** - Education level of the respondents play a vital role in understanding and availing the banking facilities and so all the three scores show variation according their education level.

- **No. of Earning Members in the Family with Associated Variables** - While the scores are same for accessibility and impact which highly dependent on the number of earning members in the family, but not so with regard to bank focus. Here the focus will remain the same, irrespective of the family size.

- **Monthly Income of the Respondents with Associated Variables** – There is no variation based on the monthly income between Accessibility, Focus and the Impact score.
Monthly Income of the Family with Associated Variables - Accessibility and focus is significantly related with the monthly income of the family. That is, respondents of lower income access bank frequently for their financial needs than those who earn higher monthly income. However, with respect to impact scores, banks have not made any difference based on the monthly income of them.

6.1.8 Correlation Analysis – Both central and state government implement FIP mainly through public sector banks which are positively correlated among the three variables of Accessibility, Focus and Impact.

6.1.9 Factor Analysis

- Accessibility of Banks by the Respondents

Customer Relationship - Four items are identified under this factor that covers - banks attending customers’ grievances, provision of timely service, treating without discrimination and supply of tailor made schemes. This factor plays a prominent role in establishing customer relationship and providing access to the tribal community by the banks.

Promotional Programmes – Under this heading, three items are concentrated to cover – promoting FIP, encouraging no-frill accounts and educating on new schemes. By providing information on promotional programmes, banks prompt the respondent towards accessibility of banks.

Supportive Schemes – Two items are considered under this category namely – enhancing saving habits and providing varied schemes that supports the growth and development of village and tribal population. Through the supportive services, the deserving communities are made to access the banks, which have been reflected through this factor.

Needed Information – A single item is identified under this factor – provision of information about products and services. Banks do educate the tribal community when they access for obtaining various products and services which is reflected under this factor.
Banks’ Focus towards Financial Inclusion

Customer Oriented Services – In this category, three variables are identified – providing doorstep services, offering customer e-cards and simplifying documental procedures. Along with regular services offered, presently banks are focusing on customer oriented services which have been well favoured and grouped under this heading.

Presence of the banks agents – Two variables are grouped under this heading – replacement of bank offices and provision of convenient banking through bank agents. The tribal respondents felt comfortable in transacting their banking operations through bank agents than by formal banking offices.

Expertise of the bank agents – Three variables have been considered under this category, namely – banks agents are trust worthy and reliable, bank transactions are made simple and provided in local languages and they provide personalized services. Banking sector rely more on their nominated agents to relate with the respondents which is appreciated by the respondents.

Acceptable terms and conditions – Under this category, two items are considered – acceptable terms and conditions, promoting savings habits. The formalities and cumbersome procedures for obtaining loan and credit facilities are replaced by the user friendly and acceptable banking process. Thus, the focus of bank towards financial inclusion is well appreciated by the respondents.

Impact of Financial Inclusion on the Respondents

Acceptable terms and conditions – Under this category, two items are considered – acceptable terms and conditions, promoting savings habits. The formalities and cumbersome procedures for obtaining loan and credit facilities are replaced by the user friendly and acceptable banking process. Thus, the focus of bank towards financial inclusion is well appreciated by the respondents.

Avenues of revenue – This category consists two items namely – customers feel proud to hold bank account under FIP and get encouraged in finding new avenues of revenue.
Through banks, government reach out the tribal and rural community in providing benefits of financial inclusion schemes which make impact on their financial and economic wellbeing.

**Efficient performance** – Two variables are identified under this category – FIP creates employment opportunities and banks are actively involved in bringing FIP benefits. Banks are not only creating impact from the financial perspective, but also on the economic and social factor with the support of FIP initiatives.

**Banks’ approachability** – Two variables are highlighted in this category – bank agents provide banking services to the villages and stimulate them to open accounts under FIP. Bank utilizes the services of bank agents in creating impact on the respondents by opening bank accounts and providing the benefits of FIP.

**Tailor-made schemes** – This category covers two variables, namely – offering new schemes by banks and provision of honest services by NGOs and SHGs under FIP. With the support of the bank agents like NGOs and SHGs, bank offices enhance the customer base with tailor-made schemes under FIP.

### 6.1.10 Structural Equation Modelling

A unique model was developed to give a bird’s eye view relating the three variables – Accessibility, Focus and Impact made by the banks on the respondents. Among these variables, bank focus has high impact on the respondents than the accessibility of banks. Thus, bank focus towards the rural and tribal community is more expected and provides the great support to the financial inclusion initiatives than providing mere physical conventional banks.

### 6.1.11 Bankers’ View

- **Mann-Whitney Test** - On comparing the responses of the tribal people and the bank officials on the impact of financial inclusion, the bank officials have rated higher than the tribal people. The reason being, the bankers observe that they cater banking products and services to the target respondents, but not availed by the tribal as expected.
Factor Analysis

Support extended by FIP – Under this category, following three variables are grouped, namely – creation of employment, provision of banking through agents and services rendered by NGOs and SHGs under FIP. Through this response, bank officials have advocated FIP as a driving force.

Objectives focused by FIP – Two variables are grouped under this factor – identification of the needs of the excluded and stimulation of opening accounts under FIP. Being ‘including the excluded’ as the prime focus of the FIP initiative, banks extend their customer base through opening new accounts which is well recognized under this factor.

Revenue Schemes under FIP – Finally, two variables are identified under this factor, namely – under FIP, banks encourage their customers through new schemes and new avenues of revenue. Banking network is very supportive to the initiatives taken by the state and central governments towards FIP, which is depicted in this factor.

6.2 Suggestions

The focus of the financial inclusion is on ‘including the excluded’ and is given due importance by the governmental machineries in framing various policies and programmes. Among them, public sector banks act as a powerful intermediary that bridges gap between the government and the deserving communities. In particular, Santal tribes are being focused in this study for which the suggestions are drawn based on the analysis, interpretation and findings thereupon.

6.2.1 Suggestions based on Socio-Demography

- **Age** – Since, most of the respondents are in the age group of 40 and below who are also potential earning population, the banks need to focus more on them. Lucrative schemes with attractive terms and conditions could be offered both for savings and credit facilities.

- **Gender** – Most of the women respondents come in contact with banks through their SHGs which have been well recognized by the governments. In the same order, male population should be networked actively through SHGs.
- **Education** – Children stop education and start earning and in the long run, they would become burden to the society. In this respect, both the governmental and non-governmental agencies strive to educate them by making use of free educational schemes offered to the tribal community.

- **Employment** – The respondents are employed in all the sectors throughout the year, still they live in poverty. Action plans need to be initiated by the government in providing outlets to sell their cottage products at reasonable rates and by informing various employments schemes and benefits available.

- **Income** – Despite of being involved in some occupation throughout the year, their collective income is not sufficient to meet their ends. The government, along with banks needs to enhance their income avenues through various action plans initiated under financial inclusion.

### 6.2.2 Suggestions based on Banking Exposure

Governments take FIP initiative through banks to reach out the tribal respondents through various policies and schemes. Along with the conventional branches, banks network with various agencies to promote the saving habits and extend credit facilities. Despite, the communities are content with the conventional banking services. To create awareness and to give more impetus to the FIP programmes such as ‘financial literacy’ and ‘financial deepening’ need to be enforced in those areas and monitored of their active implementation.

### 6.2.3 Suggestions based on Banking Operation

From the findings, it is revealed that in general, banking operation is not well supported by the tribal respondents but for the FIP initiative taken by the government. Still dominance of informal financial agencies could be seen but not revealed apparently by them. The governments and the banking sector need to take stern efforts revisit their programmes and policies and remodel them according to the nature of the needs.
6.2.4 Suggestions based on Accessibility of banks, Banks’ Focus and the Impact of Financial Inclusion made

D. **Accessibility of Banks by the Respondents** - The tribal respondents are able to access the banking sector through its wide spread network, despite, there are areas that need to be given priority to implement FIP actively, like – executing tailor-made schemes, removing the dominance of indigenous banking agencies fully, attending the grievances and issues faced by the customers and treating them without disparity. The grievances vary but it should not be neglected.

E. **Banks’ Focus towards Financial Inclusion** - Simplification of banking transactions, providing personalized services through bank agents and implementing of acceptable terms and conditions for obtaining credit facilities are highly recognized by the respondents. In spite of these initiatives, still financial literacy and deepening have not penetrated as expected, which need to be given priority to attain more focus at different levels.

F. **Impact of Financial Inclusion on the Respondent** - With the support of bank agents, banking sector extend its facilities even in unbanked areas and implement FIP. It has achieved a wider customer base and customers feel pride in holding bank accounts. Still banks need to recognize various issues and provide remedies by identifying employment opportunities and new avenues of earnings for their livelihood. These steps need to be experimented continuously to achieve the objective of FIP.

6.2.5 Suggestions based on Demographic Variables - Given the village and forest environment, both men and women of the tribal community engage in some occupation or other for their survival and sustenance. Due to illiteracy, most of them depend upon menial occupation like farming, daily labourers, forestry and self employment which do not fetch enough income for their effort. In this regard, the governments should identify various revenue earning sources to involve themselves in various financial inclusion initiatives.
6.2.6 Suggestions based on Comparing Demographic Items with Variables of – Accessibility of banks, Banks’ Focus and Impact of Financial Inclusion

- Pertaining to Districts, Balasore respondents have high access with the bank products and services compared to other two districts. Interestingly the tribal population is lesser than in the districts of Mayurbhanj and Keonjhar which need to be focused in the implementation of FIP.
- While the respondents of the age group of 40 and below are actively access the banking operation, banks need to identify the ways and means to bring impact on the tribals of the other age groups.
- With most of the tribals have minimum educational background, the impact of the banking or FIP is not effective, which need to address by focusing through financial literacy programmes with the support of government and non-governmental agencies.
- With more number of earning members, still the core aim of FIP is not felt as expected which blocks the overall growth of the tribal community for long. Thus along with mere accessibility by providing banking facility, the impact of it is yet to be felt by creating awareness of the governmental schemes.

6.2.7 Suggestion based on Correlation Analysis – The combination of three variables – Accessibility, Banks’ Focus and Impact that have been identified in the study is highly recognized both by banking sector and governmental machineries. These combination could be effectively utilized by providing more action plans to reach out the tribal community in the selected districts and to contribute towards the inclusive growth of the economy.

6.2.8 Suggestions based on Factor Analysis

- **Accessibility of Banks** - In general, four factors have been identified towards Accessibility of banks, namely - Customer Relationship, Promotional Programmes, Supportive Schemes and Needed Information. These factors need to be addressed more effectively in order to achieve the objectives of FIP.
- **Banks’ Focus towards Financial Inclusion** – In this regard, these four factors are grouped, namely - Customer Oriented Services, Presence of the Banks Agents,
Expertise of the Bank Agents and Acceptable Terms and Conditions form the base to achieve Banks’ Focus towards financial inclusion. So, the governments need to give thrust on the above factors to realize the goal of FIP.

**Impact of Financial Inclusion on the Respondents** – Under this category four factors are identified, namely – Avenues of Revenue, Efficient Performance, Banks’ Approachability and Tailor-made Schemes. These factors highlight the impact of the financial inclusion initiatives taken by the Policy makers and should be set as guiding factors to evaluate FIP.

6.2.9 **Suggestions based on Structural Equation Modelling** – This model depicts that among the three variables identified in this study reveals that banks’ focus has high impact on the respondents than the Accessibility of banks. Therefore, any programs taken by the governments and banks need to give impetus to the ‘Focus’ aspect than ‘Accessibility’ aspect.

6.2.10 **Suggestions based on Bankers’ View on Impact of financial inclusion** - The bankers’ perspective towards financial inclusion is higher than that of the respondents’ perspective which indicates the existence of gap between their perspectives. The reasons for the gap could be due to implementation of FIP which need to be addressed and evaluated.

6.2.11 **Suggestions based on Factor Analysis on Bankers’ View** - Under the following three headings, the notions on the Impact of financial inclusion have been identified by the bankers namely - Support extended by FIP, Objectives focused by FIP and Revenue schemes under FIP. According to the bank officials, these three factors provide the guiding measures in the implementation of financial inclusion plans.

6.2.12 **Suggestions based on General Observation**

**Sociological Perspective** – Multitude ethnic and clan community group are spread throughout the world. In particular, the study focuses on the Santal tribes of Odisha for their larger in size and remains excluded over generation from the main stream. Thus it is imperative need to ensure ‘social inclusion’ as an ‘a priori’ condition for responsible ‘financial inclusion’. The social inclusion and financial inclusion strategies need to be
embedded with the local social oriented institutions such as village council and youth dormitory as these would ensure local tribal participation and ownership later.

**Economic Perspective** – The economic deprivation over the years have kept them away from the main stream, in spite of various plans and programmes since the independence of the nation. Still, they are in the ‘below poverty line’ surviving with meagre income. To address the same, a separate cell could be formed to monitor the related issues periodically and implementing action plans.

**Anthropological Perspective** – The decision making process is more influenced by their traditional myths, beliefs and cultural value system. Any ‘inclusion measures’ taken by the government should take cognizance of these value in designing appropriate and affordable financial products and services. This could be achieved with the support of socially acceptable and sustainable plans and policies by them.

**Collective Approach** – The cell to be installed exclusively for financially including the tribal community should also involve ‘social capital’ like self help groups, joint liability groups, tribal youth club, Tribal farmers’ clubs etc. These agencies provide informal touch to the planning action framed by the governmental agencies and ensures the success of FIP to achieve the prime goal ‘including the excluded’.

6.2.13 Suggestion for the Future Study

- Financial inclusion with reference to the villages and semi-urban areas
- Financial inclusion with specific reference to women in villages
- Comparative study between financial inclusion and financial exclusion
- The impact of financial inclusion on the economic policies of the governments
- The impact of NGOs and MFIs on the financial inclusion
- The issues and concern for the drop outs from the financial inclusion plans
6.3 Conclusion

Over the years, the Indian Banking Industry has been catering the financial needs of the economy along with strengthening the economic and social requirements of the nation. With more than six decades of planning process, the banking industry has been utilized by the policy makers as a powerful vehicle to achieve various objectives by concentrating on the marginalized sections towards inclusive growth. A series of structural changes have been taken to bring out reformation in the banking sector by focusing on the rural and tribal communities.

Presently, a wide range of planning has taken place with the support of banking technology and has extensively widened the customer base in the unbanked area. Along with strong infrastructure and effective planning mechanism, more efforts have been initiated to reach the deserving communities with the characteristics features of illiteracy, poverty, unemployment etc.

The concept of ‘inclusive growth’ has been widely discussed all over the world since last century which has given birth to various forms such as nationalization of banks, lead bank schemes, micro finance and self help group. In totality, all these variants are characterized through a new phenomenon called as ‘financial inclusion’, which is specifically meant to reach out the unreach segment of the population. In the recent years, the governments have started implementing the financial inclusion more intensively towards developing the tribal and rural population to bring them into the formal banking fold. With the varied population structure, India has a considerable proportion of tribes who live in their primitive and traditional environment. It is a major concern of the governments, the efforts taken by them is not fully utilised by the tribal communities and without whose involvement, the initiatives taken become redundant.

In specific, this study focused on the Santal tribes of Odisha, being one of the oldest tribal communities living in poverty and illiteracy over the centuries. Targeting them, the state and central governments have networked with public sector banks to enact the schemes of FIP to eradicate poverty, to provide financial literacy and to facilitate with financial support. Based on the information collected from secondary and primary data, it is
understood that there is a positive impact on the FIP initiation with regard to Accessibility of banks, Banks’ focus towards FIP and the Impact on the tribal population.

The inclusion plan needs to take responsibility for overall development of the individual, society, industry and the economy with special impetus on the current and future growth of the nation. The funds allocated by the governments through various banking schemes should reach the tribal communities for their upliftment of living condition. Along with the provision of financial infrastructure, the governments need to concentrate on physical and social infrastructures also, to make the overall development of the targeted community, a meaningful one. Still the tribal society is identified by its illiteracy, poverty and ignorance in spite of six decades of independence which need to be addressed with the support of NGOs, MFIIs and SHGs. The implementation of FIP will succeed only if it is complimented by the programmes such as financial literacy and financial deepening among the targeted communities which facilitates the accessibility, focus of the banks in order to give positive impact of FIP.

The main objective of Financial Inclusion is ‘to include the excluded’. From the study conducted, it is revealed that the efforts taken by the Government of Odisha and the Central Government have positively influenced the Santal tribes and benefited them financially and economically. Active involvement of SHGs and NGOs, increasing literacy rate, employment of both men and women, operation of ‘no-frill accounts’, more inclusion of women than men under FIP are some of the uniqueness identified in the study. In nutshell, the financial inclusion plan will be successful by the collaboration of the three sections namely, the consumers or the beneficiaries in general, the governments and the banking sector.