CHAPTER - VII
RESULT OF HYPOTHESIS TESTING, FINDINGS AND CONCLUSION

The major thrust of the study is to explore the Financial Inclusion, linkages between financial inclusion and rural Development schemes, the impact of information technology and financial literacy and various banking extension services in the study area. The hypothesis framed were tested based on the objectives, the results as follows:-

**Hypothesis- 1**, The rural development programs playing a major role to generate income and employment to rural people. Nearly 84.67 per cent of the rural people got benefit from MGNREGA; nearly 81.67 per cent of them attained benefit from SGSY and 62.33 per cent of them, benefits from Indira Awas Yojana. About 48.67 per cent of them got benefits from Rural Ashraya schemes etc., Most of the benefits of the schemes that have been received under RDP through financial inclusion in the study area.

**Hypothesis -2** Under Rural Development Program (RDP) the payment to beneficiaries through Bank accounts and No Frill Accounts represent about 28 per cent. Nearly 45 per cent of them have savings accounts and 37.66 per cent have No Frill accounts, which are in operation. A maximum of 47 per cent of the No Frill Accounts enrolled by Regional Rural Banks. Hence, this hypothesis proves that there is positive impact on beneficiaries.

**Findings:**

The major findings of the study as follows:-

Almost all the rural development programs have been introduced from time to time to realize the objectives and goals to empower the venerable sections by creating opportunities for employment, income in order to sustain their livelihood in the district. As the results showed an ample scope to create jobs, asset creation and improved living conditions. However there are incidences of leakages, inadequacies and loopholes in their execution to achieve the targets. The unscrupulous middlemen,
lack of will and popular participation of peoples representatives and lack awareness common people.

The drive for Financial inclusion on mission mode to some extent realized in terms of penetration of bank branches, coverage of population, accessibility, the provision of various financial services, regular usage and frequency. The various financial and development agenesis, self help groups and voluntary agenesis made sustained efforts in this venture. However there is a need for strengthening the efforts more vigorously to educate and to bring awareness among the masses.

The cash benefit thought no frill accounts and various financial products to reach the needy and targeted people. However more efforts needed to strengthen and sustain the inter linking rural development programs and financial inclusion drive.

The awareness and acquaintinace with regards to information technology and financial literacy not enough progress achieved in diffusion in the study area. There is a need to establish financial literacy and credit counseling centers to provide free finance literacy, education and credit counseling in rural and semi urban areas

An amount of monthly wage income of bellow Rs. 2000, received comprised of male 7.33 per cent and female 64.66 per cent together account for 71.99 per cent which envisages female is getting very low wage who are in large number, the monthly wage income of Rs 2001-4000 in which, about 12 male members and 95 female members both together comprised of 35.66 per cent even in this wage limit also female are getting low wages.

A very few of them are in Trade and construction activities which accounts for 9.33 per cent and 54.18 per cent respectively. The labour in agriculture and animal husbandry are interdependent which comprised of 75 to 82 per cent, self employment constitutes 39.33 per cent MGNAREGA is also one of the important sources contribution to 35.33 per cent of respondent, and other sources 96.33 per cent as a source of income in the areas.

A maximum number of rural people i.e. 67 per cent are snot doing any transaction from ATM, KCC etc. Nearly 28% of them are using Pass books to
withdraw their money from Banks and only 1.33 per cent of them are using ATMs for money.

Occupation of rural people, which constitutes agriculture as the main occupation about 56 respondents from Agriculture, selected. non-Agriculture occupation also constitutes 61, which account for 20.33 per cent of the total of the sample. The occupation as rural development labour also comprised of 17 per cent of the total.

Monthly wage income of bellow Rs. 2000 received comprised of male 7.33% and female 64.66% together account for 71.99% per cent which envisages female is getting very low wage who are in large number. The monthly wage income of Rs 2001-4000 in which, male members and female members both together comprised of 35.66 per cent even in this wage limit also female are in range of getting low wages.

A very few of them are in trade and construction activities which accounts 9.33% and 18% respectively. The labour in agriculture and animal husbandry are interdependent which comprised on 75 to 82 per cent, self employment constitutes 39.33% per cent MGNAREGA is also one of the important sources contribution to 35.33 per cent of respondent, and other sources 96.33% also becoming a source of income for rural areas.

The highest No. of respondents who constitutes 27% poses productive and non Productive assets worth of Rs 300000 to Rs 6,00000 and nearly 26.33% expressed that they have value of assets below Rs 10,000 nearly 13.3 per cent said that they have assets worth the value of Rs 1,50,000 to 3, 00000.

Maximum number of rural people i.e. 67% are not using any transaction from ATM, Passbook or KCC etc. Nearly 28% of them are using Pass books to withdraw their money from Banks and only 1.33 per cent of them are using ATMs for with branch of their money.
Conclusion

Post-reform period witnessed impressive economic progress and globalization gave scope for enormous opportunities to those who are capable and having access to productive resources and the capital are strong enough to grasp them. On the contrary the new relationships and linkages which are essential to the growth process can be a major threat for weaker sections who kept out of main stream.

The majority of India’s masses incapable, denied, deprived of their due rights and entitlements, particularly those in rural areas are generally excluded from sharing the gains of development processes. They are self-employed, small and marginal farmers and some are independent craftsmen. There also large number of landless laborers who are poor, and a large category of independent cultivators having small and marginal holdings employed on casual basis by large farmers.

The need of the hour is comprehensive social and financial inclusion in the process of development path creating opportunities to empower them by providing employment, income basic amenities and lively hood. It is therefore, the rural development programs and government schemes should aim at inclusion of millions of small independent producers, landless labors and artisans under financial inclusion and it demands measures to protect them from worst effects of exclusion.

In this study attempt is being made to look into the issues related to the exclusion and inclusion in the overall process of development. The Institutional credit plays significant role to promote the economic activities in agriculture and allied activities in rural areas. In the last decade or so evidence shows that increasing demand for financial inclusion can be seen in terms of penetration of number of enrollment of accounts in the banks. The self help groups, RRB’s, Scheduled commercial banks, Co-op-banks providing credit facilities for agriculture and rural development activities, would positively influence financial inclusion through credit facility and other rural development programs. To improve the financial position of common people and for the proper utilization and diffusion of the financial resources
is indispensable to all sections of society. The focus of financial inclusion - the state level bankers committee recommended the provision for small amounts of overdraft, loans, savings, electronic benefit transfer i.e. payment of wages under National Rural Employment Guarantee Scheme, extending benefits through government schemes, micro insurance etc., are being initiated. The number of branches of scheduled commercial bank of Karnataka has increased continuously in absolute terms. In the state of Karnataka the annual growth rate increased during the corresponding period of all scheduled commercial banks in terms of mobilizing saving deposits and extending advances to the farming and non farming communities. Its credit deposit ratio of 86 was the highest in 1991 as compared to 82 in the year 2007. The regional rural banks have been extending credit for the development of agriculture and rural development programs have positive impact on agriculture and livelihood of rural communities.