

A Study on Financial Inclusion Among Sc/St College Students

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I. INTRODUCTION

Financial inclusion is believed to be the game changer to achieve inclusive growth by including poor people into the formal financial sector. It is an attempt towards social justice which intends to bring marginalized people into the mainstream economy. It is both, an opportunity and a challenge to financial system. Development experience evidences a strong correlation between financial access and economic growth. In the process of development, they are supplementary to each other. A well-developed financial system is essential for faster and broad-based economic growth. It is highly important for economic development and wellbeing of people. Financial Inclusion is an umbrella term that captures a number of different types of products and services.

RBI is carrying out financial inclusion efforts through banking system in co-ordination with the Government. Because of its inherent advantages, wide network of banking institutions is used to reach the target of financial inclusion. Dr. D. Subba Rao mentions "Financial inclusion is a win-win opportunity for all the stake holders, the poor, the banks, the regulator and the Government. Because of improving awareness levels, aspirations of the poor are on the rise, banks will not be forgiven if they do not rise up to meet these aspirations. It is for the banks to convert what they see as a dead-weight obligation into an exciting opportunity and move on aggressively on financial inclusion that banking on the poor can actually be a rich banking proposition.

II. STATEMENT OF PROBLEM

This study investigates level of awareness on financial inclusion among SC /ST College students. Although several initiatives promote financial inclusion in India, many SC/ST students still lack awareness, access and

confidence to use formal financial services. There for the problem of study is to examine the level of financial inclusion and their awareness and usage of modern banking technology by students.

III. OBJECTIVES OF THE STUDY

The major objectives of the study are:

- (i) To identify the level of awareness of banks among SC/ST college students
- (ii) To know the level of financial inclusion
- (iii) To study the usage of modern banking technology by students

IV. SCOPE OF THE STUDY

The main aim of the study is to find out the level of financial inclusion among SC/ST students. This study is confined to the Undergraduate and Postgraduate Students

V. RESEARCH METHODOLOGY

Sources of Data

Data were collected from both primary and secondary sources. The Primary Data were collected through a well-structured questionnaire. The Secondary Data is collected from books, websites, annual reports etc.

Sample Design

Sample Population: The SC/ST students from various colleges
Sampling Technique: Proportionate random sampling method was used. Sample Size: 73

Tools and techniques Histograms, Pie diagrams, bar Charts, were used to analyse the data collected

VI. REVIEW OF LITERATURE

(M Mala, 2016) Made a study titled 'Role of banking sector in financial inclusion'. The main aim of the paper was to find out the role and importance of banking

industry in financial inclusion. Banking sector plays considerable role in bringing financially excluded people in to a formal sector. The economic progress of the country achieved through maximum number of participations from all the sections of the society. But the lack of awareness and financial literacy among rural population of the country is hindering the growth of our Indian economy. The study concluded that financial inclusion is playing a catalytic role of the economic and social development of Indian society.

(M Bhuvana, 2016) Made a study titled ‘Drivers of financial inclusion to reach out poor’. They assessed various factors that influence financial inclusion and various innovative delivery channels used to reach out rural areas.in India, government has taken several initiatives to foster financial inclusion. Financial institutions like banks have shown an immense increase in its extent to provide their banking services to the people frame the unreached and excluded sections in the society. The paper identifies that financial literacy, high cost, technology, trust, Income level, distance and in appropriate products are the factors that determine the financial inclusion in India. (Dr N Sundaran, 2016) Made a study titled financial inclusion in India; A review. The core objective of this study was to review literature on financial inclusion in the Indian perspective ,discussed by different researchers all over the world and also to highlight the awareness level of financial inclusion and barriers confronted to financial access moreover at the present global scenario technology found to be a determining factor in the ultimate performance of financial inclusion plan, regardless of the context or the participant of the study with relevant to this topic. It concluded that financial inclusion is he only hopes for financial development. Emerging financial inclusion is a commercial profitable business exists in the banks, possible through viable tailored plan.

VII. DESCRIPTIVE ANALYSIS

Table 1 Classification of respondents on the basis of deposit account

Deposit account	Frequency	Percentage (%)
Yes	73	100
No	0	0
Total	73	100



Table shows that number of students having deposit accounts. It is clear that every student has deposit accounts

Table 2 Classification of respondents on the basis of persons prompted for opening an account

	Frequency	Percentage (%)
Banks officials	0	0
Relatives	4	5.479452055
School head /officials	69	94.52054795
Friends	0	0
Others	0	0
Total	73	100

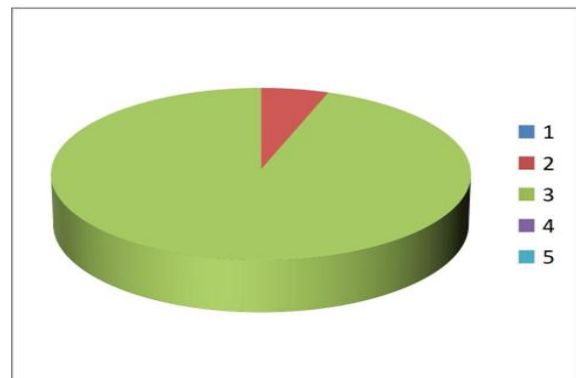


Table shows that the different persons who prompted to the students to open a bank account. Majority of students that is 94.52% prompted by school head or officials to open account in bank. Rest of 5% are prompted by relatives

Table 3 Classification on the basis of source of money

Source of income	Frequency	Percentage (%)
government	13	15.29
parents	64	75.29
self-employment	8	9.41
others	0	0
Total	85	100

Source: survey data

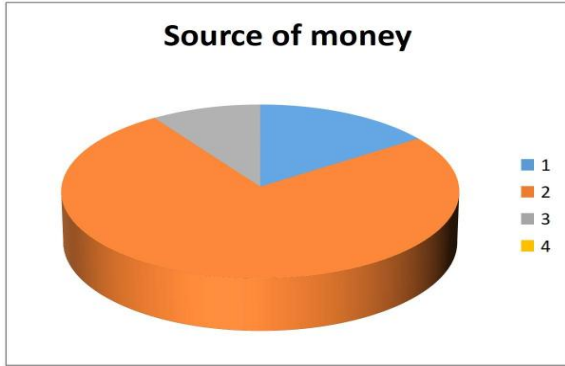


Table shows classification of respondents on the basis of source of money.75.29% of students depend upon parents for money.15.29% that is 13 students are depend upon government.9.41% make money through self-employment.

Table 4 Classification on the basis of problem faced while opening an account

Problems faced	Frequency	Percentage (%)
cumbersome banking procedures	19	24.67532468
in ordinate delay	13	16.88311688
high opening cost	11	14.28571429
submission of numerous accounts	17	22.07792208
others	17	22.07792208
Total	77	100

Source: survey data

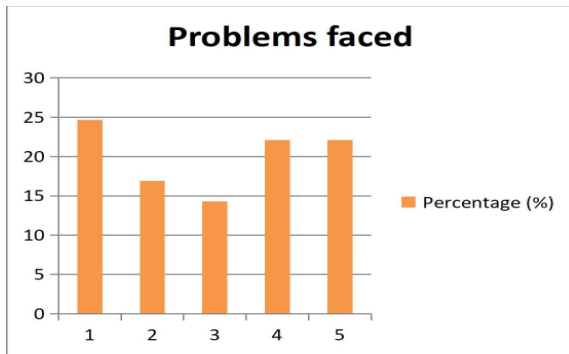


Table shows problems faced by people while opening an account. It's clear that cumbersome banking procedures are the major problem faced by people that is supported by 24.67% of population.22.07% says that submission of numerous accounts and other problems make difficulty in opening an account in banks. In ordinate delay also make problems for 16.88% of students. High opening cost make problem for 11 students that is 14.28%.

Table 5 Classification on the basis of frequency of deposit

Frequency of deposit	Frequency	Percentage (%)
weekly	0	0
fortnightly	0	0
monthly	6	16.21621622
rarely	31	83.78378378
Total	37	100

Source: survey data

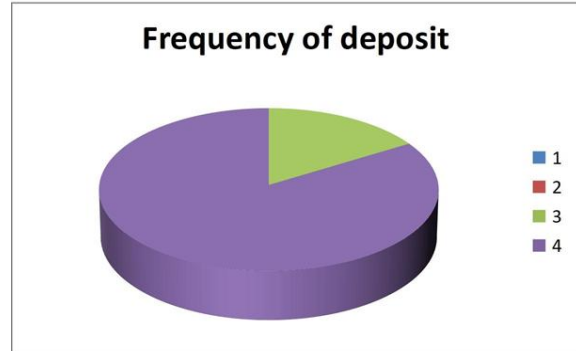
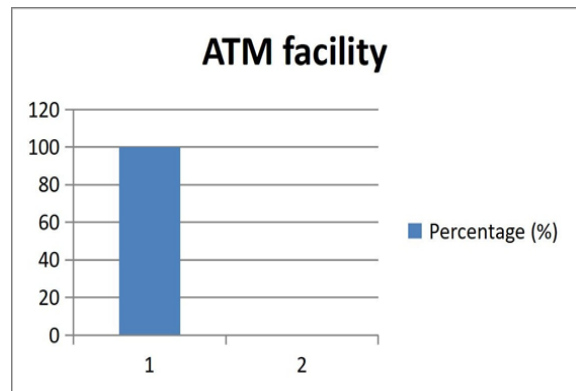


Table shows that 83.78% of students make deposit in banks rarely. And 16.21% of students deposited monthly that represent only 6 students. Rest of students is not making any deposit.

Table 6 Classification on the basis of ATM facility

ATM facility	Frequency	Percentage (%)
Yes	73	100
No	0	0
Total	73	100

Source: survey data



In the table it's clear that all respondents have ATM facility in their locality.100% students availed ATM facility.

Table 7 Classification on the basis of financial inclusion literacy

Financial inclusion literacy	Frequency		Total	Percentage		Total %
	Yes	No		Yes	No	
filling of deposit forms	36	37	73	49.31	50.68	100
use of e-banking	24	49	73	32.87	67.12	100
use of mobile banking	19	54	73	26.02	73.97	100
cash transfer	8	65	73	10.95	89.04	100
filling bank account opening form	46	27	73	63.01	36.98	100

Source: survey data

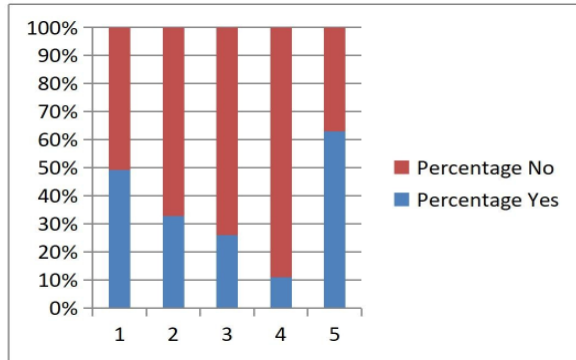


Table shows that classification on the basis of financial literacy. Out of 73 respondents 36 respondents have the knowledge about filing of deposit forms that is 49.31%. awareness about use of e banking facilities and mobile banking are known to only 32.87% and 26.02% respectively. Majority of respondents that is 89.04% are not used cash transfer.63.901% of respondents are aware about how to filing bank account opening form.

VIII. FINDINGS

- Every student has deposit account.
- 94.52% students are prompted by school head or officials to open a bank deposit account.
- The main reason for opening an account is to receive payments from governments.
- Cumbersome banking procedures are become the major issue while opening a deposit account. It's supported by 24.67% of students.
- 70.29% of students has availed ATM services.
- 83.785 students make deposit in banks rarely. and withdrawals made in monthly.
- 75.29% of students are depend their parents for money.
- All students get ATM facility and 43 respondents receive ATM facility monthly.

IX. SUGGESTIONS

- There should be special schemes to SC/ST students.
- Educational loans should be available to SC/ST students without any red tapism.
- They should be given loans with low interest rate to start up entrepreneurship activities.
- They should be treated fairly when they come to a bank to access the bank.

X. CONCLUSION

The financial inclusion on SC/ST college students was discussed throughout the project. I have concluded that most of the students have adequate knowledge about modern banking services. Even though financial inclusion is high, in terms of the accessibility of banking services among the SC/ST students, they are not using the banking activities in full flow. The main reason is that they don't have any earning capacity of their parents are not financially sound or they get regular pocket money to save. Their only way to save money or do banking services is when they get grants or scholarships. Only very few people do online purchase or ticket booking through mobile banking.