

Financial Inclusion: A Case Study of Aizawl District

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ABSTRACT: Financial inclusion is the delivery of banking services at an affordable cost to the vast sections of underprivileged and low income groups viz., access to payments and remittance facilities, savings, loans and insurance services by the formal financial system to those who tend to be excluded. Various steps were taken by the Government of India (GOI) and the Reserve Bank of India (RBI) to include the financially excluded regions, so that the people, especially low income groups and disadvantaged regions can access the products and services rendered by financial institutions. This study is an attempt to find out the level of Financial Inclusion among poor women in Aizawl District of Mizoram. The study will be based on primary data which will be collected through a structured questionnaire method. Women who are not government servants and are mostly housewives will be selected for this study. SPSS will be used through which chi-sq and regression analysis will be employed for analyzing the objectives.

Keywords: Financial Inclusion; regional disparity; personal bank account; savings; zero balance account.

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I. INTRODUCTION

Financial inclusion is the delivery of banking services at an affordable cost to the vast sections of underprivileged and low income groups viz., access to payments and remittance facilities, savings, loans and insurance services by the formal financial system to those who tend to be excluded. RBI defines financial inclusion as “a process of ensuring access to appropriate financial products and services needed by all sections of the society in general and vulnerable groups such as weaker sections and low income groups in particular, at an affordable cost in a fair and transparent manner by regulated mainstream institutional players”.

Financial exclusion is the inability of individuals, households or groups to access financial services in an appropriate form. Financial exclusion is either a cause or a consequence of social exclusion, or both. Access to financial services is essential for citizens to be economically and socially integrated in today's society. It is also a requirement for employment, economic growth, poverty reduction and social inclusion. Financially excluded people are with low income, part of a household with no wage earner, with less education, part of an ethnic minority, with migrant background, very old or very young, or women, are more likely to be financially excluded than others.

Financial inclusion of the unbanked masses is a critical step that requires political will, bureaucratic support and constant pressure by the RBI. It is expected to unleash the hugely untapped potential of the bottom-of-pyramid section of Indian economy.

II. METHODOLOGY

2.1. Objectives of the Study

- i) To find out the factors determining financial exclusion in Aizawl, Mizoram.
- ii) To assess the inequality of financial inclusion in Aizawl, Mizoram.
- iii) To examine the major factors determining financial inclusion of women in Aizawl, Mizoram.

2.2. Research Design

The present study is an attempt to find out regional disparity, indebtedness and status of financial inclusion in Mizoram. The study used primary method of data collection. The data is collected from Sihphir and Muthi area of Aizawl District. 50 women from Sihphir and 50 women from Muthi who are not government servants and are housewives have been selected. Aizawl is the capital of Mizoram. Sihphir and Muthi lies on the outskirts of Aizawl District, both the localities are not under Aizawl Municipal Council and are under Village Council administration. So, women from these two areas were selected using Convenient Sampling Technique to find out the extent of Financial Inclusion in Aizawl, Mizoram. The data collected were analyzed with the help of various tools and techniques to fulfill the research objectives. Statistical Package for Social Science (SPSS) was employed where Simple Tabulation, Regression and chi-sq Analysis were employed. The

use of these techniques at different places has been made in the light of nature and suitability of data available and requirement of analysis.

2.3. Statistical tools applied

Based on the objectives, suitable statistical tools have been applied to analyse the collected data. The results of various quantitative techniques have been given in the analysis chapter and the interpretation given. Average, percentage and ratio analysis had been used to analyze the socio-economic characteristics of the sample respondents.

Cross tabulation with Chi-square (χ^2) was used to test the significance of dependence between two variables like, place of residence and personal bank account holdings by women, personal bank account holding and availability of bank in a village/locality etc.

Multiple Regression analysis was used to study the relationship between Personal Bank Account holding and age of the respondents with marital status as well as place of residence of the women respondents.

III. DISCUSSION

The rural masses will get access to banking like cash receipts, cash payments, balance enquiry and statement of account can be completed using fingerprint authentication. The confidence of fulfilment is provided by issuing an online receipt to the customer. It inculcates the habit to save, thus increasing capital formation in the country and giving it an economic boost. Direct cash transfers to beneficiary bank accounts, instead of physical cash payments against subsidies will become possible. This also ensures that the funds actually reach the intended recipients instead of being siphoned off along the way. Availability of adequate and transparent credit from formal banking channels will foster the entrepreneurial spirit of the masses to increase output and prosperity in the countryside. Hence, it is believed that financial inclusion can initiate the next revolution of growth and prosperity. In the 21st century, India has been pulling all the right levers to advance financial inclusion and economic citizenship by channelling its own transactions to lubricate the system. India's journey towards economic ascension relies on how the 65% unbanked population of India (conservative 2012 estimate by World Bank) is enabled with financial infrastructure.

Waiter (1873) and Hicks (1969) argued that finance played a crucial role in ushering in industrialization in England by facilitating mobilization of capital. Schumpeter (1912) contended that well-functioning banks spur technological innovation by identifying and funding potential entrepreneurs. Economists like Robinson (1952) opined that, "where enterprise leads, finance follows", thereby taking a positions that economic development create demand for particulars type of financial arrangements and the financial system responds automatically to these demands. Especially, in the context of India, Bell and Rousseau (2001) have shown how financial intermediaries in India have played a leading role in influencing its economic performance. The financial sector, among other things, not only led to promote aggregate investment and output but also to attain finance-led industrialization. Studies by Burgess and Pande (2003) and Burgess et al.(2004) have shown that rural branch expansion in India was associated with non-agricultural growth and has helped in reducing rural poverty. This has been termed by the some as supply Teading strategy.

IV. FINDINGS

4.1: Socio-economic characteristics of the sample respondents

Socioeconomic environment influences lifestyle, occupation, and nutrition of social classes which in turn would influence the health status of the population. In India, there are wide social and economic disparities. The aim of the present analysis is to examine the social and economic background of the sample population of Mizoram. Social class refers to the social position an individual occupies in a society. Individual and society are inseparable and have mutual influence on each other. Thus in all societies, sociological conditions of people differ based on factors such as age, sex, religion, community and educational levels etc. An attempt is made in this study to analyse the social and economic characteristics of the women population based on age, place of residence, educational levels of mothers, number of family members etc. The results presented in all the tables below are estimated from the primary data collected from 100 women from two areas within Aizawl district of Mizoram, viz., Muthi and Sihphir.

4.1.1. Age Wise Distribution of Women respondents

Age is an important variable because it has direct relation with one's mental maturity and the consequent awareness about what is going on in the society. Age group in which people fall has several socio-economic implications. It determines the reproduction as well as working capabilities apart from depending ratio, family structure and contents of socio-economic development. The age wise classification of the women respondents is depicted in table 1.

Table I: Age of the respondents

Age	Frequency	Percent
Below 20	6	6.0
20-30	18	18.0
30-40	42	42.0
40 above	34	34.0
Total	100	100.0

Source: Primary data

The above table reveals that out of the total sample of 100, 42 per cent of the mothers are in the age group 30-40, occupying the highest percent; 18 per cent are in the age group 20 to 30. Of the total respondents, only 6 per cent is below 20 years of age while the rest (i.e.34 per cent) are above 40 years. This shows that majority of the mothers in this study belong to 30 to 40 years of age group. It can be concluded that very early marriage is not practiced in the state of Mizoram.

4.1.2. Marital Status

Marital status plays a dominant role in a society. In countries like India, married women are given unique status and respect in the society. The role a married women plays in a family is far more important than unmarried women. Table 2 depicts the marital status of women from the total sample respondents.

Table II: Marital status of the respondents

Marital status	Frequency	Per cent
Yes	62	62.0
No	38	38.0
Total	100	100.0

Source: Primary data

Table 2 shows that of the total sample respondents, 62 per cent of the mothers are married while 38 per cent are not married. The marital status of a mother plays an important role in determining the workforce participation of the woman in the study. Married women, compared to unmarried women or divorced, have more voice in the decision making process of a family.

4.1.3. Family size of the respondents

Among social variables, the size of a family occupies a significant place. A family may have earning and non-earning members. The number of members in a family influences its monthly income, monthly expenditure on health, food, clothing etc. A large family with more number of dependents may create a situation in which more resources, attention and time have to be spent. It can also effect the number of bank accounts held by the family members.

Table III: Family size of the respondents

Family size	Frequency	Percent
Below 3	12	12.0
3-6	54	54.0
6-9	28	28.0
9 above	6	6.0
Total	100	100.0

Source: Primary data

The above table shows that majority of the respondents (54 percent) have family members between 3 to 6, while only 6 per cent has above 9 members in the family. 12 per cent have below 3 members, while the rest 28 per cent have family members of 6 to 9. Thus, we can see that most of the family in the sample respondents have a member of 3 to 6. As mentioned above, the larger the number of members in a family, the higher the chances of having more bank accounts by the members.

4.1.4. Bank Availability in the village

The easy availability of bank in a locality/area can determine to a great extent whether the people in that area have bank account or not. So, in this question the researcher wants to find out whether there are any banks near the respondents place of residence in Muthi and Sihphir area.

Table IV: Is there a bank in your village?

Bank availability	Frequency	Percent
Yes	50	50.0
No	50	50.0
Total	100	100.0

Source: Primary data

The above table shows that 50 percent of the respondents from Sihphir area said that there is a bank in their area, while another 50 percent of the respondents from Muthi area answered that there is no bank near to them.

4.1.5. One Bank Account

The number of bank accounts held by a family has, to a great extent, determines whether the women respondents have their own personal bank account or not; especially for married women. Since there is a probability that the husband, or the head of the family must own the bank account.

Table V: Does your family have one bank account only?

One bank account	Frequency	Percent
Yes	37	37.0
No	63	63.0
Total	100	100.0

Source: Primary data

The table above shows that 37 percent of the respondents said their family has only one bank account, while 63 percent has more than one account for their family. This is important because it shows that the women respondents also have a chance of owning bank account in their own name.

4.1.6. Do you have a personal bank account?

The respondents were asked whether they have account in their own name, which forms the basis of this study for financial inclusion. Table 6 below shows the result for personal bank account held by the women respondents.

Table VI: Do you have a personal bank account?

Personal Bank Account	Frequency	Percent
Yes	69	69.0
No	31	31.0
Total	100	100.0

Source: Primary data

The result shows that 69 percent of the women in this study have their own bank account, while 31 percent did not have their personal bank account. It can be concluded from the above table that more than two-thirds of the sample respondents have their personal bank account, which is necessary for the study of financial inclusion.

4.1.7. Type of Account

This question asked about the type of account held by the sample respondents who have personal bank account. This can be an important factor in examining the type of financial services/product enjoyed by the respondents. Here, only the respondents who have personal account i.e., 69 percent of the respondents are asked to fill up this question. The remaining 31 percent of the sample respondents are excluded from this particular question since they do not have bank account.

Table VII: What type of account do you have?

Type of account		Frequency	Percent
	Savings Bank a/c	65	65.0
	Recurring Deposit a/c	1	1.0
	Fixed Deposit a/c	3	3.0
	Total	69	69.0
Missing	System	31	31.0
Total		100	100.0

Source: Primary data

Of the 69 respondents who have Bank account, 65 percent have Savings Bank account, 3 percent have Fixed account while only 1 percent has Recurring account. So, it is clear that majority of the women respondents have Savings Bank account only.

4.1.8. Reason for not having bank account

Among the respondents who do not have bank account, they were asked the reason why they don't have any bank account. The table below shows the percentile division of this reason or not having any bank account.

Table VIII: Reason for not having a bank account

Reason for no account		Frequency	Percent
Valid	I have no/little money to put in	3	3.0
	No bank in this area	5	5.0
	Not important to me	23	23.0
	Total	31	31.0
Missing	System	69	69.0
Total		100	100.0

Source: Primary data

Among the 31 respondents who said they don't have any bank account, the majority of them i.e., 23 percent gave the reason for not having account as not important to them. 5 percent said there was no bank in their area while 3 percent said they don't have any money to keep in bank so they do not open an account.

4.1.9. Have your household ever borrowed or taken a loan?

One important reason why people open an account is to get loans from the bank. In this question, the women respondents were asked whether they themselves or their family has ever taken a loan or borrowed from the banks. The result below shows the loan system of the respondents.

Table IX: Have your household ever borrowed or taken a loan?

Loan	Frequency	Percent
No	60	60.0
Yes	40	40.0
Total	100	100.0

Source: Primary data

The above result shows that 60 percent of the respondents have never taken loan or borrowed from a bank. Only 40 percent of the respondents have availed some form of loans from banks.

4.1.10. Source of Loan

The respondents who have availed some form of loan were asked the source of their loan. The table below shows the result for this source.

Table X: Mention the source of your loan

Source of loan		Frequency	Percent
Valid	Bank	22	22.0
	Relatives	12	12.0
	Friends	3	3.0
	money lenders	3	3.0
	Total	40	40.0
Missing	System	60	60.0
Total		100	100.0

Source: Primary data

Among the 40 respondents who have availed loan, the majority of them i.e., 22 percent said they borrowed from a bank while 12 percent borrowed from relatives. 3 percent of the respondents said they borrow from friends while the remaining 3 percent borrowed from private money lenders.

4.1.11. Frequency of saving in an account

The respondents were asked how frequently they saved in their account. The table below shows the result.

Table XI: How frequently do you save in your account?

Frequency of saving		Frequency	Percent
Valid	don't save/never	9	9.0
	Atleast once a month	6	6.0
	I put in money as and when I can	49	49.0
	I have not added money in the past 12 months	5	5.0
	Total	69	69.0
Missing	System	31	31.0
Total		100	100.0

Source: Primary data

The table above shows that majority of the respondents save as and when they can. No monthly saving schemes are availed for this purpose. Only 6 percent of the respondents who save said they keep money once every month. 5 percent said they have not added any money since the past 12 months while 9 percent said they do not save at all.

4.1.12. Zero minimum balance account awareness

When this questionnaire was conducted, Banks were opening zero minimum balance account, called no-frills account. Today it is mostly concerned with PMJDY account. The women respondents were asked whether they were aware of this type of account. The table below shows the result.

Table XII: Are you aware that Banks are opening zero minimum balance account?

Awareness	Frequency	Percent
Yes	39	39.0
No	61	61.0
Total	100	100.0

Source: Primary data

Among the 100 respondents, only 39 percent were aware of the zero minimum balance account facility opened by the Banks. The majority of them i.e., 61 percent have no idea about this facility.

4.1.13. Grievances

The respondents were asked whether they have any grievances in their 'no-frills' account. Only those who were aware of this facility answered this question, so the rest 61 percent did not give any answer.

Table XIII: Do you have any grievances in your 'no-frills' account?

Grievances		Frequency	Percent	Cumulative Percent
Valid	No	39	39.0	100.0
	System	61	61.0	
Total		100	100.0	

Source: Primary data

The above table shows that among the 39 respondents who were aware of 'no-frills' account facility, all of them said they did not have any grievances in their no-frills account.

4.1.14. In the past 3 years have you been refused a loan or credit?

The respondents were asked whether they have ever been refused a loan or credit. The table below shows the result for this.

Table XIV: In the past 3 years have you been refused a loan or credit?

Refused loan or credit	Frequency	Per cent	Cumulative Percent
Yes	6	6.0	6.0
No	21	21.0	27.0
have not asked for a loan	73	73.0	100.0
Total	100	100.0	

Source: Primary data

From the above table, we can see that 73 percent of the respondents have never applied for a loan within the past 3 years while the rest 27 percent has asked for a loan where 6 percent said that their loan application was rejected and 21 percent said that they have not been refused a loan by the banks.

4.1.15. Type of other products availed from banks

In this question, the respondents were asked whether they have availed any other form of financial products from banks. The result is shown below.

Table XV: Type of other products availed from banks

Other products availed	Frequency	Percent	Cumulative Percent
Valid Insurance	8	8.0	25.8
Debit card	23	23.0	100.0
Total	31	31.0	
Missing System	69	69.0	
Total	100	100.0	

Source: Primary data

Among the total respondents, only 31 percent have personal bank account, so the rest 69 percent who do not have their own personal account are not included in this question. The above table shows that among the 31 respondents, 23 percent said they have Debit card while only 8 percent have insurance.

4.2: Inequality in financial inclusion in Aizawl, Mizoram

In this chapter, the inequality between the two areas of study viz. Muthi and Sihphir with regards to financial inclusion is examined using cross tabulation with chi-sq.

A cross tabulation can be done by combining any two of the questions and tabulating the data together. This is a two variable cross tabulation. There are two or three different ways of calculating percentages. The researcher computes the percentages row-wise, column-wise, on the total sample 100. It can be mentioned here that any two variables can be cross tabulated, Even if the cross tabulation shows a significant association between the two variables, the mere existence of a statistically significant association does not necessarily imply a cause and effect relationship between the independent and the dependent variable. In the case of cross tabulation featuring two variables, a test of significance called the Chi-squared test can be used to test if the two variables are statistically associated with each other significantly.

4.2.1. Personal bank account and availability of Bank in their village

It is believed that the availability of a Bank in a village has great influence on personal bank account hold by women, because if there is no bank in their area, it becomes difficult for some women to go to another locality just to open a bank account.

The sig value is 0.001 and the hypothesis is rejected at 1 percent level, which means that there is dependency between the availability of a bank in a village/locality and personal bank account hold by women.

Table XVI: Do you have a personal bank account * Is there a bank in your village?

			Is there a bank in your village?		Total
			yes	no	
Do you have a personal bank account	yes	Count	43	26	69
		% within Do you have a personal bank account	62.3%	37.7%	100.0%
	No	% within Is there a bank in your village?	86.0%	52.0%	69.0%
		Count	7	24	31
	% within Do you have a personal bank account	22.6%	77.4%	100.0%	
	% within Is there a bank in your village?	14.0%	48.0%	31.0%	

Total	Count	50	50	100
	% within Do you have a personal bank account	50.0%	50.0%	100.0%
	% within Is there a bank in your village?	100.0%	100.0%	100.0%
Pearson's Chi-sq	value			
	13.511			.000

Source: Primary data

The above table shows that among the 69% of respondents who have personal bank account, 62.3% said that there is a bank in their village while 37.7 % said there is no bank in their village/locality. And among those remaining 31 percent who do have bank account, 22.6% said that there is a bank in their village while 77.4% said there is no bank in their village.

From the above discussion, it is clear that the availability of a bank in a village or area close by determines to a great extent whether women have personal bank account or not.

4.2.2. Personal Bank account and Place of Residence

It is necessary to find out whether there is any relationship between the place of residence of a person and their bank account holding. It is believed that the place of residence has great influence on bank account holding by women in Mizoram.

The sig value is 0.001 and the hypothesis is rejected at 1 percent level, which means that there is dependency between place of residence and personal bank account holding by women.

Table XVII: Do you have a personal bank account * Place of residence

		Place of residence		Total
		Sihphir	Muthi	
Do you have a personal bank account	Count	43	26	69
	% within Do you have a personal bank account	62.3%	37.7%	100.0%
	% within Place of residence	86.0%	52.0%	69.0%
no	Count	7	24	31
	% within Do you have a personal bank account	22.6%	77.4%	100.0%
	% within Place of residence	14.0%	48.0%	31.0%
Total	Count	50	50	100
	% within Do you have a personal bank account	50.0%	50.0%	100.0%
	% within Place of residence	100.0%	100.0%	100.0%
Pearson's Chi-sq	value			
	13.511			.000

Source: Primary data

The above table shows that among the 50 women who resides in Sihphir, 86% has personal bank account while 14% do not have an account in their own name. Now, among the 50 women who resides in Muthi, 52% has personal bank account while 48% do not have account.

From the above discussion, it is clear that the place of residence is an important factor in determining account holding by women in Mizoram.

4.2.3. Place of Residence and type of products availed from banks

It is necessary to find out whether there is any relationship between the place of residence and the type of products availed by the respondents. It is supposedly believed that the type of products availed from banks is determined to a great extent by the place of residence of a person.

The sig value is 0.005 and the hypothesis is rejected at 5 percent level, which means that there is dependency between place of residence and personal bank account holding by women.

Table XVIII: Place of residence * Type of other products availed from banks

			Type of other products availed from banks		Total
			Insurance	Debit card	
Place of residence	Sihphir	Count	7	18	25
		% within Place of residence	28.0%	72.0%	100.0%
		% within Type of other products availed from banks	87.5%	78.3%	80.6%
	Muthi	Count	1	5	6
		% within Place of residence	16.7%	83.3%	100.0%
		% within Type of other products availed from banks	12.5%	21.7%	19.4%
Total	Count	8	23	31	
	% within Place of residence	25.8%	74.2%	100.0%	
	% within Type of other products availed from banks	100.0%	100.0%	100.0%	
Pearson's Chi-sq		Value	Sig		
		0.325	.005		

Source: Primary data

The above table shows that among the 31 respondents who have availed a different type of product from banks, 80.6 percent are from Sihphir locality while the remaining 19.4 percent are from Muthi locality. The remaining 69 percent of the respondents from the total 100 sample did not avail different type of product from the banks and are excluded from this question. Now, among the 25 women from Sihphir, 7 of them i.e., 28 percent have insurance of some form; while the remaining 18 people i.e., 72 percent have Debit card. Now, among the remaining 6 women from Muthi, 16.7 percent (1 woman) has insurance and the remaining 83.3 percent (5 women) have Debit card.

4.3: DETERMINANTS OF PERSONAL BANK ACCOUNT HOLDING BY WOMEN

Personal Bank account holding by women is a crucial factor in financial inclusion. In this section, multiple regression is used to estimate the most significant variables that are affecting a person's bank account holding.

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + U_i$$

Where,

Y =Dependent variable: Personal Bank Account holding

Independent variables

- **X₁**= Age of the respondent (in years)
- **X₂** = Marital status of the respondent (values, 1= married, 2 = unmarried)
- **X₃** = Place of residence (values, 1= Sihphir, 2 = Muthi)

Table XIX: Determinants of Personal Bank Account holding by women

Sl. no	Independent variables	B	Std. Error	't' value	Sig value
1	Age of the respondents (in years)	-.066	.051	-1.299	.197
2	Marital status of the respondents	-.170	.090	-1.884	.063
3	Place of residence	.332	.087	3.803	.000
	Constant	1.248	.267	4.668	.000
R²= 0.174			Adjusted R²= 0.148		
F value = 6.720			Sig value = 0.001		
Durbin-Watson = 2.359					

Source: Primary data

Here, the researcher made an attempt to identify the variables which are significantly determining the personal account holding by women. The above regression result shows that 17.4 percentage of variation in the personal bank account holding by women is explained by the variables included in this function. The F value of this model is 6.720 with the sig value of 0.001 shows that the model is significant and can be considered for interpretation.

In this model, personal bank account holding by 69 women has been taken as the dependent variable. The reason why only 69 respondents have been chosen is that, out of 100 women, 31 women did not have personal bank account and so these women are not considered here. Three (3) variables were tried to test the significance. Out of the three variables, two variables turned out to be significant and only one variables that is, the age of the respondent turns out to be insignificant.

The place of residence positively and significantly influenced the personal bank account hold by women. The result shows that the women in Sihphir area have 0.332 times more personal bank account than the women from Muthi. The marital status of the respondents is also negatively influencing the personal bank account hold by women, with married women having 0.170 times less account than unmarried women. The age of the mothers is not significant factor in personal bank account hold by women. The Durbin-Watson D statistics which is 2.359 indicates that there is no problem of auto-correlation.

From our analysis, it can be seen that the most important factor determining financial exclusion in Mizoram was place of residence of the women respondents as well as the availability of bank in a village or locality. The study shows that 50 percent of the respondents from Sihphir area said that there is a bank in their area, while another 50 percent of the respondents from Muthi area answered that there is no bank near to them.

Among the 31 respondents who said they don't have any bank account, the majority of them i.e., 23 percent gave the reason for not having account as not important to them. 5 percent said there was no bank in their area while 3 percent said they don't have any money to keep in bank so they do not open an account. The study finds that among the 50 women who resides in Sihphir, 86% has personal bank account while 14% do not have an account in their own name. Now, among the 50 women who resides in Muthi, 52% has personal bank account while 48% do not have account. Thus, it can be concluded that place of residence and availability of bank in a village does affect financial exclusion of a person.

It has been observed that there exist inequality between place of residence and personal bank account holding by women in Mizoram. The study finds that among the 50 women who resides in Sihphir, 86% has personal bank account while 14% do not have an account in their own name. Now, among the 50 women who resides in Muthi, 52% has personal bank account while 48% do not have account. The analysis also shows that among the 31 respondents who have availed a different type of product from banks, 80.6 percent are from Sihphir locality while the remaining 19.4 percent are from Muthi locality. The remaining 69 percent of the respondents from the total 100 sample did not avail different type of product from the banks and are excluded from this question. Now, among the 25 women from Sihphir, 7 of them i.e., 28 percent have insurance of some form; while the remaining 18 people i.e., 72 percent have Debit card. Now, among the remaining 6 women from Muthi, 16.7 percent (1 woman) has insurance and the remaining 83.3 percent (5 women) have Debit card.

The researcher made an attempt to identify the variables which are significantly determining the personal account holding by women. The place of residence positively and significantly influenced the personal bank account holding by women. The result shows that the women in Sihphir area have 0.332 times more personal bank account than the women from Muthi. The marital status of the respondents is also negatively influencing the personal bank account hold by women, with married women having 0.170 times less account than unmarried women. The age of the mothers is not significant in determining personal bank account hold by women.

V. CONCLUSION

From the above discussions, it can be concluded that the major factor influencing financial exclusion of a person is the availability of bank in their village/locality as well as the place or area where a person resides. There exists inequality in the place of residence with people residing in Sihphir having more bank account than those residing in Muthi. This can be attributed to the fact that Sihphir has around 2 banks while Muthi does not have any bank in their village. The most important factor determining a person's bank account holding thus, is the place of residence and the availability of bank in that area of residence. Women mostly have accounts now due to the fact that every credit has been done through banks, even NREGS money has been transferred through bank accounts

5.1. Suggestions

In view of the above discussion, the researcher has made some suggestions

- I) The concerning authority should make provision for setting up atleast one public sector bank in Muthi, as the place of residence occupies an important factor in determining a person's bank account holding.
- II) Government should also provide cheaper financial products for the lower sections of the society so as to ensure higher level of financial inclusion.
- III) Better and proper awareness should be provided to the village women regarding the importance of financial inclusion to utilize the different products and services available to them.

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