

# The Impact of Government Initiated Digitalized Yojanas on Financial Inclusion

**BHARTI CHHABRA RANA<sup>1\*</sup>, SHILPI KHANDELWAL<sup>2</sup>**

<sup>1</sup>Department of Management, Jagan Institute of Management Studies, New Delhi, India

<sup>2</sup>Department of Management, Jagannath University, Jaipur, Rajasthan, India

## ABSTRACT

This paper shows the impact of government initiated digitalized Yojanas on financial inclusion. Financial inclusion is an enabler of inclusive growth, with the affordable access of financial services leads to numerous advantages to the society, particularly for the unprivileged population. The study initiates a thought of progressive financial inclusion with the help of digital finance. Therefore, various digitalized Yojanas have been initiated by the government for improving credit delivery system and financial inclusion. The paper presents tested result and findings of primary data collected through questionnaire-based survey on low- and moderate-income groups. Multivariate regression analysis with IBM SPSS 20 is used for analysis of data. This has been concluded that the government initiated digitalized Yojanas have significant impact on financial inclusion totally and individually also.

**KEY WORDS:** Financial inclusion, Digitalization, Digital economy, Government initiatives

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## INTRODUCTION

The study examines the World Bank contribution in favor of financial inclusion which is an impressive answer for the problem of poverty reduction, especially in developing countries. The United Nations also announced that less than half of the world's population is financially inclusive (CGAP and World Bank, 2010). Although an inclusive financial system offers numerous advantages to the society, particularly for the unprivileged population after reducing the barriers (Sarma and Pais, 2008). The study initiates a thought for progressive financial inclusion with the help of digital finance. It provides a range of financial products and schemes, finance-friendly softwares, effective means of

communication for more customer interaction and business (Gomber *et al.*, 2017). With digital finance, the lives of low income and disadvantaged section of the society can improve. Their access to various financial services leads to better financial inclusion. Therefore, government is also taking more interest in development of digital finance through various Yojanas.

Digital finance provides services to the customer through mobile phones, cards, and internet (Manyika *et al.*, 2016). The objective is to provide effective financial services through digital platforms for poverty reduction, better growth, and increasing financial inclusion. Digital finance and financial inclusion are trying to decrease the gap of

\*Corresponding author: E-Mail: [bharti.rana@jimsindia.org](mailto:bharti.rana@jimsindia.org)

## Hypothesis Testing

Based on the above statistical analysis and findings, both the null hypothesis (H<sub>0</sub>) are accepted that means government initiated digitalization Yojanas have significant impact on financial inclusion totally and individually also.

## CONCLUSION

There is increase in speed and intricacy of adoption and implementation of digital technologies in the financial sector and it's also going in a good direction. It is also concluded in the paper that involvement of digital technologies is necessary for country's upliftment and providing help to poor and deprived section of the society. It means that government methodologies must also grow and be tailored to country's framework so that no one should exclude from the banking facilities and can live their life peacefully

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