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STUDY ON FINANCIAL INCLUSION AMONG SELECTIVE ASIAN COUNTRIES – A COMPARATIVE ANALYSIS

Dr. Joshua Selvakumar J

Associate professor, Christ University, Bengaluru, Karnataka, India.
Email: joshua.selvakumar@christuniversity.in

Dr. G. Suganya

Assistant Professor, Kumaraguru College of Liberal Arts and Science, Coimbatore, Tamil Nadu, India
Email: suganyaguru19@gmail.com

Dr. Varadharajan P

Professor, M S Ramaiah Institute of Management, Bengaluru, Karnataka, India.
Email: sktrajan007@gmail.com

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***Author for correspondence:**
Dr. Joshua Selvakumar J joshua.selvakumar@christuniversity.in Associate professor, Christ University, Bengaluru, Karnataka, India.

Abstract

Objective: In recent years, inclusive growth has emerged as one of the most significant policy objectives around the world. Financial inclusion is the most recent item to be explicitly added to the social inclusion agenda, and it advocates for all segments of society to have affordable access to a wide range of financial services Several national governments have undertaken financial inclusion initiatives. These, along with other international and national efforts, are producing results.

Purpose: According to recent Global Findex data, the global share of adults having a bank account has climbed by seven percentage points since 2015. This study will compare financial inclusion developments in key Asian economies including India, Pakistan, China, Bangladesh, Sri Lanka and others. It is a descriptive study.

Methodology: This research was conducted utilizing the Global Findex database of seven nations. Furthermore, binary logistic regression, panel regression, and pooled regression were used to investigate the amount of influence that the independent variable has over the dependent variables.

Findings: Gender has less of an influence in India and more in Pakistan, but in all other nations, gender and age do not significantly explain people's savings. Employers in the intermediate and small-scale industries are required to pay salaries using bank accounts. This will also help women gain financial inclusion in India, Pakistan, China, Bangladesh, Indonesia, Sri Lanka, and many others.

Keywords: Financial Inclusion, debit card, credit card, savings, borrowings and financial literacy.

1. INTRODUCTION

In recent years, inclusive growth has emerged as one of the most significant policy objectives throughout the world. Governments and economists have promoted inclusion in economic and social life, with expanded access to education, health care, social security, clean water and sanitation, and inexpensive transportation and power financial inclusion is the most recent item to be explicitly added to the social inclusion agenda, and it advocates for all segments of society to have inexpensive access to a variety of financial services. While the phrase "financial inclusion" is new, governments have long recognized the need to increase access to financial services. They have looked into public sector banks, agriculture credit programmers, and micro and small business credit programmers as ways to promote it. At the same time, the microfinance movement, which began in Bangladesh in the 1970s with the Grameen Bank, focused on the reality that the official financial system has failed to reach the poor. Microfinance organizations have demonstrated that the poor are bankable and that creative models can allow finance to assist the poor by using peer monitoring and group- based approaches. A broader approach that incorporates micro-savings, micro-insurance, and remittance and payment transfers has replaced a narrow concentration on credit. To address the barriers of distance and the high expense of setting up traditional bank branches in remote places, e-banking, branchless banking, and agency or business correspondent banking models have been developed. Governments have understood in recent years that certain financial programmers and agencies can only thrive in the right policy context. Many nations have developed national financial schemes and strategies in recent years. Countries promote inclusive growth and development in their policy objectives, thus this increased interest in financial inclusion is not irrational. In general, inclusive financing is necessary for economic and social development to persist. It should also result in increased financial stability and growth. Many Asian countries have either established measures or set particular aims to improve financial inclusion, possibly because of these factors. Financial inclusion is planned to be achieved using Fintech. FinTech is a term that refers to new technology that aims to improve and automate the delivery and usage of financial services. Fintech is used to help corporations, company owners, and consumers better manage their financial operations, procedures, and lives through the use of specialized software and algorithms that run on computers and, increasingly, smartphones and mobile devices. This research is to make a comparative study of progress on financial inclusion and Fintech penetration between major Asian Developing Economies - India, Pakistan, China, Bangladesh, Indonesia, Sri Lanka and Nepal. Several national governments have implemented programmers aimed at increasing financial inclusion. These, in addition to other international and national efforts, are producing results. The global share of adults having a bank account has increased by seven percentage points since 2014, according to new Global Findex statistics. This translates to 515 million adults now getting access to financial services. Overall account ownership increased by 18 percentage points from 2011, when account ownership was 51%, according to the 2017 figures from the Global Findex database.

2. STATEMENT OF THE PROBLEM

Financial inclusion is a key growth factor for developing countries. Many countries have formed relevant policies to promote the same. In developing countries, some Asian countries tend to have some similar characteristics in terms of culture and behavior which can be related and studied. Financial inclusion is more behavioral oriented concept. Countries like India, Pakistan and Indonesia are few among the top countries where financial exclusion prevail. This study focusses to find if there is any relationship between demographic factors and financial inclusion and also to compare the same among the seven selected countries for analysis.

3. OBJECTIVES

- To find out the individual progress of financial inclusion of the seven countries from 2015 to 2021.
- To make a comparison of progress of financial inclusion between the seven countries from 2015 to 2021.
- To find out the relationship between various demographic factors and financial inclusion.
- To study the progress of women in financial inclusion from 2015 to 2021.

4. HYPOTHESIS

- H0: There is impact of between demographic variables on account holding
- H1: The influence of demographic variables over debit card usage
- H2: Impact of demographic variables over credit card usage
- H3: Impact of demographic variables over savings
- H4: Impact of demographic variables over borrowings

5. REVIEW OF LITERATURE

5.1 Financial Inclusion:

(1) They did a thorough critical examination of the present indexes and their creation technique. Then, taking into account the inadequacies in the present indexes, they developed a financial inclusion index for India. The key addition of their analysis to the existing literature is the unique technique they provided for assigning weights to the financial inclusion index. Based on this new financial inclusion measure, the study indicated that India's southern states and union territories had stronger financial inclusion.

(2) This study looks at the influence of financial inclusion on economic development in 22 Sub-Saharan African (SSA) nations from 2012 to 2018. The Generalized Method of Moments (GMM) is used in the investigation. From 2012 to 2018, this study examines the impact of financial inclusion on economic development in 22 Sub-Saharan African (SSA) countries. The inquiry employs the Generalized Method of Moments (GMM). We discovered that the availability dimension of financial inclusion, penetration dimension of financial inclusion, and composite financial inclusion (all indicators combined) have a significant and positive impact on economic growth, whereas the

usage dimension of financial inclusion has a marginally positive impact on economic growth, using a composite index of financial inclusion as well as individual financial inclusion indicators.

(3) Identifying the necessary criteria that will lead to successful financial inclusion of low-income rural communities is just as important, if not more so. To increase inclusion, inclusion strategies must be designed around these variables, and a thorough understanding of these drivers is essential for strategy and policymakers. Though the characteristics are generally similar across the country, their relevance and influence on financial inclusion vary substantially from one geographical location to the next.

(4) This study proved that Latin American and Caribbean nations may expand financial inclusion by modifying their social features to facilitate the use of technology and credit. The findings of this study were useful for policymakers in developing and executing policies that lead to action plans that reverse an exclusionary financial system, promote financial education, and empower women.

(5) According to the research, the most prevalent pathway via which financial inclusion influences economic growth is increased access to financial goods and services provided by financial institutions, which boosts financial intermediation and leads to positive economic growth. The most prevalent empirical methodologies utilized in the literature include causality tests, cointegration, and regression approaches. Multiple proxies for financial inclusion and economic growth were utilized in the literature, which helps to explain why earlier research produced contradictory results.

(6) The key outcome of this research is that financial literacy activities and studies, as well as effect assessments on financial inclusion, are required. Both of these indicators must be studied concurrently in order to provide a thorough study. The report may be utilized as a resource for scholars and policymakers to do more research and assess present activities.

(7) The investigation of providing equitable access and availability of financial goods and services to all persons and enterprises, particularly the lower-income and economically disadvantaged portions of society, this research discussed the relevance, dimensions, policies, actions, and obstacles involved in the process of achieving financial inclusion in the emerging countries of India and China.

(8) This study looked at how policymakers understand the difficulties surrounding the rapid spread of digital financial services, methods for successful delivery to the poor, and the hazards associated with digital financial inclusion. Second, this study contributed to the existing literature on rising digital finance and financial inclusion, allowing academics and researchers to focus on the implications of digital financial services on financial inclusion.

(9) This study found that the Indian government's and the Reserve Bank's efforts to provide access to formal banking services, particularly in rural regions of the nation, were effective.

Similarly, the gender and economic disparities in financial account ownership have closed. Further study using the Financial Inclusion Insights dataset reveals that financial inclusion has a positive and significant influence on poverty reduction in India.

(10) This article discussed how to close the wealth gap between the affluent and the poor. The banking sector has shown itself to be one of the most powerful supporters of a country's prosperity, economic development, and growth. The current study discovered that independent factors such as the number of SBI bank branches, SBI ATM growth rate, and SBI credit deposit ratio had a substantial influence on the dependent variable, which is India's GDP growth. However, the number of SBI bank branches has a statistically significant influence on GDP growth, but the other two independent variables have no statistical relevance to GDP growth.

(11) paper shows the financial inclusion has a positive impact on the lowest levels of society because it allows them to have investment documents in financial institutions, contact investment from financial institutions, and increase their soft and hard skills aptitude. Banks play a significant role in Indonesia's economic growth as the dynamic strength of financial inclusion measures. From a global perspective, this move is expected to support more comprehensive and long-term economic development, as well as improve people's well-being. Furthermore, financial inclusion is expected to maintain financial strength as a foundation for steady economic growth.

(12) examined the role of financial inclusion in addressing issues including global poverty, income discrimination, underdevelopment, and well-being is critical the majority of people who are part of the financial system contribute to faster economic development through their joint impact. Financial inclusion reduces the dominance of manipulative financial institutions, and access to adequate financial services improves resource distribution effectiveness and lowers capital costs. Sarma, (2010) said his paper the financial inclusion is critical for increasing the poor's access to financial services, which has been frequently identified as a significant tool for reducing poverty and income disparities.

Access to a number of services and mechanisms outside of financial dealings, such as discounts, credit, insurance, and pensions, is a critical social hold for a person that has a variety of transforming effects on a person's life says the financial inclusion may drive large sums of money into the global economy, presenting countries with new opportunities. When people become even more financially connected and their salaries rise over time, their tax contributions towards the government may rise as well. Policymakers are interested in learning more about the mechanisms of financial inclusion. Financial inclusion can help people live better lives, decrease poverty, and maintain economic stability. On the other side, there are several studies on the factors that influence tax income. Analyzed the China's financial inclusion was impacted by people with high income slab, people in older age category and better education. And also, men were more associated with great use of financial accounts. Borrowing from financial institution was not very common as it was to borrow from friends and family. Akter, (2016). Despite of the great efforts of the Bangladesh Government in respect to creating a conducive environment to access financial services by the public, it has turned out that 25% of the country's adult population remains financially excluded. Financial development helps in the growth of the economy and helps the middle- and high-income countries to reduce poverty, whereas the same did not help or have a positive influence on the low-income countries

5.2 Financial Literacy:

(13) In this paper, the financial knowledge is especially important in times where increasingly complex financial products are easily available to a wide range of the population studied. For example, with governments in many countries pushing to boost access to financial services, the number of people with bank accounts and access to credit products is rising rapidly financial education improves people's awareness of different financial products and concepts by providing them with diverse instructions, information, and guidance in order to help them recognize financial dangers and possibilities. Investors should improve their financial knowledge to improve their portfolio performance since a person with a poor level of knowledge of financial activities is more prone to make financial blunders., (13) examined financial education entails using formal financial tools such as financial calculators, methodologies, and financial education-related seminars to assist people in making healthy financial decisions. Financial literacy rates differ in important ways when it comes to characteristics such as gender, education level, income, and age. Worldwide, 35 percent of men are financially literate, compared with 30 percent of women

(14) The evolution of every country's financial system is strongly linked to financial literacy. It has a significant impact on personal financial decisions and economic development by improving economic security and lowering unemployment. Financial literacy, specifically the importance and relevance of financial education about financial products, services, and activities, has been critical in assisting people in selecting appropriate financial products

5.3 Savings

(15) examined the around half of all adults in the world said they had saved money in the previous year. 71 percent of people in high-income countries said they saved, whereas 43 percent of people in low- income countries have saved. Individuals save money in a variety of ways. Many people save in a formal way, such as through a bank account. More than three-quarters of savings (55% of adults) in high-income nations use this strategy, while just under half of savers (21% of adults) in emerging economies do this. Saving informally, such as through a savings club,

is a popular alternative. Senthil Arasu Balasubramanian (2018) investigated how women who own property alone have a significant relationship to formal account and formal savings ownership, but they lack access to official and informal loans. The findings demonstrate that when a family member, particularly a guy, backs them up, women are significantly more likely to accept official credit. Women are refused loans regardless of economic quartile if they do not own land.

5.4 Borrowings

(16) In this report, he revealed that around half of all individuals worldwide indicated they had borrowed money in the preceding year. In higher-income nations, the majority of borrowers rely on formal borrowing via a financial institution or a credit card. Borrowers in emerging economies, on the other hand, are more likely to seek assistance from family or friends.

6. METHODOLOGY

This study is made using the Global Findex database - survey conducted by the World Bank along with IMF database and data from the corresponding countries' central banks to study financial inclusion. The database is available for 140 economies out of which seven countries based on their similarities like culture and development are chosen for the study. Asian countries India, Pakistan, China, Bangladesh, Indonesia, Sri Lanka, and Nepal are used in this research to make individual progress study and a comparative study between the countries in terms of financial inclusion. Descriptive analysis has been used to study the frequencies of variables and to have a better understanding through visual representation of data using pivot tables in Microsoft excel. Further, Binary logistic regression Panel regression and Pooled regression have been applied to study the level of impact that the independent variable have got over dependent variables. Tools are used to identify the relationship and dependency of the variables through which hypothesis framed is checked. The outcome of this analysis is used for further discussion. Linear regression shows the linear relationship between among various variables. The equation of linear regression is similar to the 'β'. Linear equations in two variables Y= a + bX Now, here we need to find the value of the slope of the line, b, plotted in scatter plot and the intercept

$$Y_i = f(X_i, \beta) + e_i$$

$$\begin{aligned}
\widehat{\beta} &= \frac{\sum_{i=1}^{n}(x_i - h)(y_i - k)}{\sum_{i=1}^{n}(x_i - h)^2} = \frac{\overline{(x-h)(y-k)}}{\overline{(x-h)^2}} \\
&= \frac{\overline{xy} - k\bar{x} - h\bar{y} + hk}{\overline{x^2} - 2h\bar{x} + h^2} \\
&= \frac{\overline{xy} - \bar{x}\bar{y} + (\bar{x} - h)(\bar{y} - k)}{\overline{x^2} - \bar{x}^2 + (\bar{x} - h)^2} \\
&= \frac{\operatorname{Cov}(x, y) + (\bar{x} - h)(\bar{y} - k)}{\operatorname{Var}(x) + (\bar{x} - h)^2},
\end{aligned}$$

7. ANALYSIS AND DISCUSSION

With all the years together for each country, the pooled data seems to be significant with p value for all the countries are less than 0.01 proving that in all the countries the independent variables seem to have a significant impact on holding an account. The overall impact of independent variable on dependent variable was explained the most in Indonesia followed by Bangladesh, Nepal and China. Education in all the countries has got the highest impact on holding an account followed by income. In all the countries expect for Indonesia, the males are in majority in holding an account. But in Indonesia, the gender with coefficient value as -1.09, it can be inferred that the females are having a majority in holding the account

Significance for all the countries is 0.000, which indicates that there is a strong relationship between the independent variables and dependent variable. We can see that Income is the most significant variable that impacts debit card possession in India, Pakistan and Indonesia with highest coefficients. While it is Education for China, Bangladesh, Nepal and Sri Lanka. The considered demographic factors for the analysis have an overall impact of 15.9% over debit card possession in Indonesia which is the highest and for rest of the countries it is in the range of 9- 13%. In all the countries, more male respondents have debit cards rather than female respondents.

From the above table we can infer that in pooled regression considering countries for credit cards, the significance level is below 5%, which states that there is a significant relationship between the independent variables, gender, age, education and income and the dependent variable having a credit card. Thus, alternate hypothesis is accepted, and null hypothesis is rejected. Among all the variables, education highly influences the decision of having a credit card for the countries India, Indonesia, China, Nepal and Sri Lanka, while it is Gender for Pakistan and Bangladesh. Also, male credit card holders are more when compared to female in pooled regression considering countries. The considered independent variables influence the decision of having credit card 17% in China which is the highest when compared to other countries. While the rest of 83% is influenced by other

TABLE 1 Holding an account in financial institution

Pooled Regression for countries

	India	Pakistan	Indonesia	China	Bangladesh	Nepal	Sri Lanka
Data	9518	3600	3000	12031	3000	3049	3166
Gender	0.380*	1.298*	-1.09	0.375*	0.475*	0.139***	0.159***
Age	0.199*	1.85*	0.032	-0.124*	0.172*	0.138*	-0.103*
Education	0.646*	0.945*	1.276*	0.651*	0.851*	1.019*	0.787*
Income	0.089*	0.113*	0.342*	0.291*	0.262*	0.299*	0.182*
Constant	-1.744	-4.877	-3.841	-0.441	-3.483	-3.326	-0.211
Sig	0.000	0.000	0.000	0.000	0.000	0.000	0.000
R	0.066	0.111	0.146	0.098	0.111	0.117	0.060
R square	0.088	0.193	0.198	0.141	0.151	0.159	0.092
-2Log Likelihood	12390.5	2655.74	3523.190	13076.7	3602.370	3670.94	3129.75

TABLE 2 DEBIT CARD- Pooled regression for countries

	India	Pakistan	Indonesia	China	Bangladesh	Nepal	Sri Lanka
Data	9518	3600	3000	12031	3000	3049	3166
Gender	0.556*	1.446*	0.087	.279*	1.148*	.389***	.424*
Age	0.082*	.121**	-0.106**	-.249*	-.162	-.061	-.234*
Education	0.860*	1.291*	1.427*	.554*	1.430*	1.569*	1.184*
income	0.325*	.264*	0.424*	.258*	.761*	.371*	.209*
Constant	-4.171*	-7.049*	-4.678*	-.709*	-8.676*	-6.200	-3.125*
Sig	0.000	0.000	0.000	0.000	0.000	0.000	0.000
R square	0.124	.091	0.159	0.133	0.093	0.117	0.131
Adjusted R square	0.186	0.238	0.234	0.177	0.273	0.265	0.189

TABLE 3 CREDIT CARD- Pooled Regression for countries

	India	Pakistan	Indonesia	China	Bangladesh	Nepal	Sri Lanka
Data	9518	3600	3000	12031	3000	3049	3166
Gender	0.090	0.617***	0.173	0.226*	2.922*	0.654	0.894*
Age	0.134*	-0.126	-0.008	-0.212*	-0.040	0.041	-0.192*
Education	0.323*	0.609*	0.790*	1.130*	1.354*	1.098*	1.127*
income	-0.035	0.157	0.442*	0.425*	1.092*	0.331***	0.297*
Constant	-3.469	-5.891	-7.020	-4.382	-14.264	-8.447	-5.848
Sig	0.000	0.001	0.000	0.000	0.000	0.000	0.000
R square	0.004	0.005	0.011	0.170	0.020	0.008	0.041
Adjusted R square	0.011	0.043	0.065	0.293	0.270	0.103	0.125

factors. Age has its highest coefficient in China, gender education and income have their respective highest coefficients in Bangladesh

From the above table we can infer that in pooled regression considering countries for credit cards, the significance level is below 5%, which states that there is a significant relationship between the independent variables, gender, age, education and income and the dependent variable having a credit card. Thus, alternate hypothesis is accepted, and null hypothesis is rejected. Among all the variables, education highly influences the decision of having a credit card for the countries India, Indonesia, China,

TABLE 4 CREDIT CARD- Pooled Regression for countries

	India	Pakistan	Indonesia	China	Bangladesh	Nepal	Sri Lanka
Data	9518	3600	3000	12031	3000	3049	3166
Gender	0.090	0.617***	0.173	0.226*	2.922*	0.654	0.894*
Age	0.134*	-0.126	-0.008	-0.212*	-0.040	0.041	-0.192*
Education	0.323*	0.609*	0.790*	1.130*	1.354*	1.098*	1.127*
income	-0.035	0.157	0.442*	0.425*	1.092*	0.331***	0.297*
Constant	-3.469	-5.891	-7.020	-4.382	-14.264	-8.447	-5.848
Sig	0.000	0.001	0.000	0.000	0.000	0.000	0.000
R square	0.004	0.005	0.011	0.170	0.020	0.008	0.041
Adjusted R square	0.011	0.043	0.065	0.293	0.270	0.103	0.125

TABLE 5 BORROWINGS- Pooled regression for countries

Borrowings	India	Pakistan	Indonesia	China	Bangladesh	Nepal	Sri Lanka
Data	95180	3600	2999	12031	3000	3049	3166
Gender	.249**	.510**	.040	.344*	.200***	.121	-.072
Age	.131*	.127	.139*	-.183*	-.005	.012	-.039
Education	.011	.296***	.523*	.297*	-.228**	.202**	.308*
income	.052***	-.086	.079**	.035	-.130*	.140*	.013
Constant	-3.068*	-4.601*	-3.395*	-2.627*	-1.115*	-2.733*	-1.742*
Sig	0.000	0.022	0.000	0.000	0.000	0.000	0.000
R square	0.005	0.003	0.14	0.13	0.009	0.008	0.007
Adjusted R square	0.011	0.017	0.25	0.033	0.016	0.016	0.010

Nepal and Sri Lanka, while it is Gender for Pakistan and Bangladesh. Also, male credit card holders are more when compared to female in pooled regression considering countries. The considered independent variables influence the decision of having credit card 17% in China which is the highest when compared to other countries. While the rest of 83% is influenced by other factors. Age has its highest coefficient in China, gender education and income have their respective highest coefficients in Bangladesh

Considering the country wise pooled data, the sig value for the seven countries is less than 0.01 and hence supports that the independent variables have significant impact on borrowings. Indonesia and China have explained the dependent variable by 14% and 13% respectively, whereas in other countries, the independent variables explain the borrowings very little. Gender has the highest impact and in Sri Lanka, it is the females who borrow more than the males. In China and Bangladesh, the impact of age on borrowings is negative.

In the above table panel regression has been done with gender, age, education, income and six countries (as dummy variables) as independent variables and account, debit card, credit card, savings and borrowings as dependent variables. From

TABLE 6 SAVINGS - Pooled regression for countries

Data	37363	37363	37363	28743	37363
Gender	0.350*	0.390*	0.227*	0.253*	0.179*
Age	0.043*	-0.126*	-0.134*	-0.029*	-0.010
Education	0.766*	0.861*	0.846*	0.450*	0.183*
Income	0.227*	0.295*	0.299*	0.345*	0.041*
Pakistan	-2.091*	-1.574*	-1.729*	-1.481*	-1.434*
Indonesia	-0.954*	0.024	-1.359*	0.323*	0.569*
China	0.775*	1.577*	1.190*	1.107*	-0.209*
Bangladesh	-0.928*	-1.893*	-2.475*	-0.451*	0.562*
Nepal	-0.681*	-1.135*	-2.247*	0.108**	0.474*
Sri Lanka	0.915*	0.177*	-0.293*	0.769*	0.989*
Constant	-1.854	-3.352	-4.856	-3.109	-2.812
Sig	0.000	0.000	0.000	0.000	0.000
R square	0.208	0.232	0.102	0.145	0.028
Adjusted R square	0.279	0.333	0.247	0.206	0.059

the table we can infer that all the countries have significant impact in all the dependent variables as the significance level for the model is less than 5%. Among the countries, we can see that Sri Lanka impacts Holding an Account and borrowings the most because it has got the highest coefficients of 0.915 and 0.989 respectively. This can be related with the data that we got for account holding and borrowing. A higher percentage of respondents hold account and have borrowed in the country when compared to other countries. This can be due to a better infrastructure, knowledge, awareness and an open- minded attitude towards the services that are provided by the financial institutions in the country. While with a higher negative coefficient for all the dependent variables in Pakistan and Bangladesh we can say that there is very less inclusion when compared to all the other countries and that the country has to improve a lot more in terms of financial infrastructure. While for debit card, credit card and savings, we can see that China has got the highest coefficients of

1.577, 1.190 and 1.107 respectively impacting the dependent variables the most. This says that the country performs better in inclusion when compared to other countries. The overall impact of all the independent variables put together is the explained the highest for debit card which is 23.2%.

When years are taken as dummies for panel regression, we can see that they have got impact over the dependent variables account holding, debit card and savings. The year 2017 has got highest impact over account holding with the coefficient of 0.833. This means something significant has taken place in that year and there has been more savings during the time period. While education explains the dependent variables debit card, credit card and savings the most. When all the above-mentioned independent variables are taken into account for analysis, their overall impact is the highest for savings with 14.7%.

India faces trust problems when it comes to accessing financial instruments, starting with even opening a bank account. They also find it expensive to hold an account, as the account mandates for an adequate balance to be held which may be a barrier for many to open an account. All the seven countries' people feel that only if they have a lot of money, there is a need to open an account, which is really not the case and also this is the main barrier to restrict one

TABLE 7 Years effect of Account among chosen variables.

	Account	Debit card	Credit card	Savings	Borrowings
Data	37363	37363	37363	28743	37363
2015	.553*	.384*	.086	-1.679*	-0.016
2021	.833*	.736*	.031	-1.875*	-0.053
Gender	.265*	.285*	.173*	.132*	.097**
Age	.162*	.043*	-.012	.098*	.009
Education	.753*	.750*	.816*	.475*	.017
Income	.205*	.273*	.321*	.273*	0.309
Constant	-2.666	-3.643	-5.068	-1.396	-2.789*
Sig	0.000	0.000	0.000	0.000	0.000
R square	0.102	0.100	0.045	0.147	0.004
Adjusted R square	0.137	0.143	0.108	0.208	0.009

TABLE 8 Reasons for not having an account:

	India	Pakistan	Indonesia	China	Bangladesh	Nepal	Sri Lanka
Expensive	13%	14%	11%	13%	13%	10%	14%
Distance	12%	13%	12%	8%	15%	9%	13%
Lack of documentation	10%	10%	8%	6%	8%	6%	10%
Lack of trust	8%	4%	7%	6%	5%	7%	7%
Lack of money	32%	28%	30%	31%	34%	26%	34%
Religious reason	7%	2%	4%	4%	2%	5%	4%
Family member already has one	9%	9%	21%	10%	11%	14%	17%
Cannot get one	2%	4%	2%	3%	2%	8%	0%
No need	8%	15%	5%	19%	10%	15%	1%

from having an account. Also 15% of the people in Pakistan feel that they don't even need an account with financial institution, and it is same with Nepal, Bangladesh and China. 8% of the people in Nepal not getting access to holding an account and also for the fact, a family member already has an account, some don't come forward to hold one. Pakistan, China, Bangladesh and Nepal are also having 10-15% of the people not intending to have an account. Distance is also a third barrier in most countries to hold a

8. FINDINGS AND SUGGESTION

8.1 Holding an account:

Across the period from 2011 to 2017, there has been a significant rise in the people holding accounts in financial institutions. Within income categories, account ownership varies significantly. The level of impact of income on holding the account has been increasing across the years and it is also found that people in the richest 20% income quartile are in majority in holding an account with a financial institution. So, the impact of income slab on holding an account should be minimized in order to bring all the sectors of people into financial inclusion. Women were not sufficiently included in some economies, resulting in reduced possibilities for greater progress. Account ownership has risen in Pakistan since 2011, despite starting from a low point of 10%. However, although it increased among men, it remained constant among women. Bangladesh has made mixed growth, with women making slower improvements. However, the picture in these economies is not altogether negative. Women and underprivileged adults are increasingly opening bank accounts. However, more inclusive account ownership increase would have resulted in faster overall progress. In developing economies that already have account ownership above 70%, the same has remained unchanged. The gender gap in account ownership exists in most developing nations, although the size of the difference varies. The gender difference in Bangladesh and Pakistan, for example, is approximately 30 percent

8.2 Debit card:

Debit card usage has been substantially increasing from 2011 to 2017 in all the countries that are taken into account for analysis. Among them, China uses the debit card services extensively as in 2017 around 60% of the respondents have said that they have a debit card. This is followed by Indonesia and Sri Lanka where in 2017 around 40% of the people are using debit card services. Bangladesh is the country that has the least percentage of respondents who use debit cards which can be related to their account holding pattern, as only approximately 40 percent of respondents seem to hold an account. When seen in pooled regression for countries, in India and Indonesia, Income is the major factor (independent variable) that influences the decision of holding a debit card. This can be substantiated by comparing the debit card possession with income levels. As the income rises, people tend to possess debit cards rather than people who fall in lower income quartiles. Similarly, for Pakistan and Bangladesh, the major influencing variable for debit cards is gender. For Nepal and China, it is Gender that greatly influences possession of debit cards.

8.3 Credit cards:

Credit usage had been very scarcely used and it almost accounted only to less than 20% of the people using credit cards. Among those, were the richest 20% income slab people who majorly used credit cards, followed by the fourth 20% income slab group. And also, with respective education qualifications of the people, it had been having a major impact on having a credit card. Those in the secondary education level had been using credit cards more than the tertiary education and more group. So, the reason to why the people in the completed tertiary education or more category are not seeking credit card as an option when comes to borrowing can be explained with the level of awareness of the usage of credit cards. Even, in terms of income level, only the richest 20% are using the credit cards vastly. Countries like Pakistan, Bangladesh, Nepal, Sri Lanka are really not aware of this credit card usage as these countries had recorded only less than 5% of people using credit card. Even a well populated and with better infrastructure Country like China had reported less than 20% of the people using credit cards and also the gender's impact on using card was high in China. It also implied that the male was using credit cards more extensively than the females

8.4 Borrowings:

Borrowings are very important in the flow of money in the economy. It is as very important as savings, as one is ready to lend, there should be people to get it and make use of it. From the analysis, it is found that people in the 21-30 and 31-40 age category are borrowing more than the other age groups. It is to imply that, people in this age category are trying to make a living and settle down, so this age category has much attraction towards borrowings. Gender in all the countries has the major impact on borrowings and it has males who borrow more than the females. The impact of income on borrowings has decreased over the years and the impact of education had increased steadily, but its impact towards borrowings for all the countries is the least when compared to other variables. But the highest level of borrowing was recorded in China 2017 with 25% and all other countries had recorded less than 20% in terms of people borrowing from financial institutions. So, it is either the culture that is acting as a barrier for the people to borrow or the non-availability of sufficient financial institutions to settle their needs.

8.5 Barriers of having an Account:

All the seven countries are yet to win the trust of the public with respective to using financial services. People's behavior or attitude also act as a barrier to hold an account, and this may cut down various benefits one can get from an financial institution. Many countries lack the awareness of that anyone regardless of the income slab can hold an account. Nearly 21% in Indonesia are not holding an account because their family already has one and this is sufficient only if there is one working person. Financial products have not reached all the people as still distance and not able to get an account, accounts for 12-15%. In our research, we find that China's financial inclusion is highly impacted by education and income which is inclining with the results of Fungicidal, 2014 study on financial inclusion in China. But our research finds a different view on the age category with financial inclusion. The previous study had supported that the old people have a major impact on financial inclusion, but in our research, we find age to have a negative impact on financial inclusion, implying that people in the young and adulthood are in majority to hold accounts compared to the old age category people. Individual country analysis in terms of financial inclusion has already been commonly studied by many researchers. While we have made a comparative analysis among the selected Asian countries using pooled regression and panel regression.

9. SUGGESTIONS:

One of the basic features for financial inclusion is to hold an account with financial institutions but we see that still many people are not into this bracket. So, reaching out to the women and the poor in order to create awareness about holding an account will change the account holding pattern of which till 2017 is dominated by the males. The poor are in need of money and yet just 45% of them hold an account and so reaching out to them can be a major scope to develop their livelihood and the financing business itself. Schemes like frill-free accounts like where you don't have to maintain any balance regularly can be introduced first in order to attract them. It is still an untapped market, so targeting them to get them into the financial inclusion bracket will generate a win-win situation. It doesn't stop with just opening an account. Because just 50% of the people who hold an account are using debit cards. The rest 50% are not availing the benefit or not aware of it, so increasing the account holders can in turn raise the debit card users as well. Also, the borrowing pattern of the countries that are taken into account for analysis is very different. Individuals are not open to borrowing from financial institutions. They instead prefer to borrow informally from their friends and families. In order to increase their borrowings from financial institutions, the procedures to do the same can be eased down and made minimal. This would attract people to borrow. Also, the people who fall under the poorest 20% and second 20% quartile are in need of more knowledge and financial literacy to use the services of a financial institution. The Government and financial institutions can hence take up the initiative to make them aware about the various financial products and avail user-friendly products. Financial service providers must deliver secure, cost-effective, and convenient products that make using accounts more enticing than using cash. The policy makers should concentrate on promoting formal credit as borrowing from financial institutions is very less. Though the other source of borrowing which are out of the formal credit system are preferable by the public, it may become a cause for slow economic growth as credits granted outside the formal credit system does not fall under the scope of banking regulation. In order to promote inclusion, Central and State Governments can choose financial institutions' accounts to transfer money while distributing cash gifts on occasions. In India, till now ration cards are being used by people to receive these gifts as cash from the Government, while in the future linking bank accounts and ration cards will be a win-win situation for the both the parties. This will encourage individuals to open accounts in financial institutions to receive cash gifts. By this way, the people who fall under low-income quartile can also be bought under inclusion. Also, Governments can mandate all sorts of employers to pay salaries to their employees through financial institution accounts rather than in cash. This will in turn make them open accounts and it will also bring about a drastic positive change in their saving and borrowing patterns.

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