

Financial Inclusion of Marginal People: A Study on Rajshahi City

Prapti Saha & Md. Abdul Kuddus

Abstract

For making economic development of a country like Bangladesh, inclusiveness of a greater segment of people in the financial system is considered as basis pre-requisite. This paper examines the study on financial inclusion among marginal people in Rajshahi city. It is mainly a descriptive study and both qualitative and quantitative data have been used to conduct this research. Data have been collected from primary and secondary sources. For making decision, a survey has been conducted on 50 marginal people through developing questionnaire. Results have been analyzed using different diagrams like pie, bar, histogram. Finally some recommendations have also been provided based on the survey result which may be helpful for accelerating the speed of economic growth and development. The findings of the study will helps to formulate financial inclusion policy by the government and respective authority for underprivileged marginal people of Bangladesh for inclusion and balanced economic development. Beside this application the study will also helps to statesman, academicians, researchers, political parties to go financial inclusion decision making program for marginal unbanked people in Bangladesh. It will also helps in developing financial inclusion's theoretical framework for the future.



IJSB

Accepted 14 February 2020

Published 18 February 2020

DOI: 10.5281/zenodo.3673549

Keywords: Financial Inclusion, Marginal People, Standard of Living, Saving Attitude, Inclusive Growth, Financial Exclusion, Financial Literacy, Financial Institution.

About Author (s)

Prapti Saha (Corresponding author), Lecturer, Department of Business Studies, North Bengal International University, Rajshahi, Bangladesh.

Md. Abdul Kuddus, Assistant Professor, Department of Business Studies, North Bengal International University, Rajshahi, Bangladesh.

1. Introduction:

Financial Inclusion is considered a very important term in today's economy. It can be defined as a process of ensuring easy access to financial services and providing adequate credit needed by vulnerable groups such as weaker sections and low income groups at an affordable cost and through a fair and transparent manner. According to a report of World Bank (Website of World Bank, visited on 16/01/20), financial inclusion means that individuals and business have access to useful and affordable financial products and services that meet their needs-transactions, payments, savings, credit and insurance-delivered in a responsible and sustainable way. These services include-all kinds of commercial loans, check and overdraft facilities, payment and remittance services, low cost financial advice, pension for old age ,investment schemes, access to financial markets during emergency and entrepreneurial credit and so on. For a third world developing country like Bangladesh, inclusiveness of a greater segment of people in the financial system is a precondition of economic development. Though economy of this country is expanding, a large number of people still live below the poverty line and has little access to banking services. They have very limited access to economic growth because of financial exclusion. Fortunately, this has gained a great attraction at present time and a large number of policies are adopted for poverty reduction by reaching missing marginal, female and poor segments of population. These include providing easy access to savings, credit, insurance, payments and remittance facilities offered by various formal financial institutions to those who tend to be excluded. Different government and commercial banks, on-governmental organizations (NGOs), micro-finance institutions (MFIs) and other civil organizations act as intermediaries for rendering financial services to all segments of population. Notable schemes are developed by Bangladesh Bank like – relaxing relaxing conditions of loan repayment and providing fresh facilities to natural calamity affected farmers; providing easy and effective access to banking services for physically incapable people, hard core poor, unemployed youth, freedom fighters; offering facilities to open bank accounts with minimum initiated deposit (BDT 10) etc. (Survey on Impact Analysis of Access to Finance in Bangladesh: Bangladesh Bank, July 2019) Ensuring financial access and inclusion is a prerequisite for regional and countrywide development. Involving marginal people in financial activities as much as possible could be among the significant policy options to achieve the SDGs. This article is prepared with an aim to analyzing financial inclusion of marginal people in Rajshahi city and considering their idea, and perception on this point.

2. Literature Review:

Access to finance is important for growth and economic development. Having an efficient financial system that can deliver essential services can make a huge contribution to a country's economic development. Greater financial development increases growth, reduces economic volatility, creates job opportunities and Improves income distribution, as has been established by a large empirical literature. A comprehensive national survey was conducted by the Institute of Microfinance (InM) between October 2009 and April 2010. This is defined as the Access to Financial Services (A2FS) Survey. The survey showed that around 77 percent of the households had access to any financial services in Bangladesh. However, the access to formal financial services is only 37 percent and that to quasi-formal finance is 43 percent. A total of 26 percent of the households have access to informal finance. According to this survey, the poor and the rural households had higher access to quasi-formal finance (52 percent and 46 percent respectively). On the other hand, the non-poor (44 percent) and the urban households (54 percent) had higher access to formal finance. This is not surprising as

the MFIs provide services mostly to the poor in the rural areas and the non-poor have better ability to meet the requirements of accessing formal finance. It is seen that although nearly 52 percent of the poor households had access to quasi-formal finance, 40 percent of the non-poor also had access to quasi-formal finance. The survey found that the poor households had higher access to credit (59 percent) relative to the non-poor households (52 percent) while the non-poor households had greater access to savings (61 percent) relative to 47 percent for the poor and insurance services (13 percent) compared with 7 percent for the poor. It is also seen that the urban households were mostly (67 percent) savers and the rural households are mostly borrowers (56 percent). The urban-rural difference was linked with higher coverage of the formal market in the urban areas and the greater presence of the quasi-formal market in the rural areas. The expansion of MFIs and the wide coverage of poverty-targeted program both by the government and the NGOs have no doubt contributed to high intensity of access of the poor and the rural households to financial services. In terms of geographical location, the access to savings is relatively high in Dhaka, Chittagong and Rajshahi divisions while the access to credit is high in Barisal and Rajshahi divisions. That means, Rajshahi is popular for both savings and credit which is a good signal.

A comprehensive indicator has been evolved from a study of (Sarma M., 2007), which is the concept of Index of Financial Inclusion (IFI). The index is an amalgamation of three aspects of financial inclusion; penetration of the banking system, its availability to users and its actual usage. This penetration is based on number of bank account per 100 populations, number of bank accounts per 1000 populations and size of bank credit and deposits relative to the GDP to indicate usage. The Boston Consulting Group (BCG-2011) studied valuable social and economic impacts of mobile financial services (MFS) over the decade. The report is prepared based on findings from five countries (Pakistan, Bangladesh, India, Serbia and Malaysia). According to this report, approximately 72% of the developing population is unbanked, and that means that they have no access to financial services. They mentioned in the study that Bangladesh currently has a 55% financial inclusion rate. Among them, 16% are fully banked (able to take advantage of a full range of financial services) and 39% are under banked (have only basic access, such as a savings account). Bangladesh's inclusion rate is driven primarily by microfinance. Looking across the five countries, they concluded that MFS has enormous potential and certain challenges. More than 2.5 billion people are financially excluded in the developing world but most of them have access to mobile phones and relationship with telephone companies. So, MFS can be emerged as the most powerful tool for economic and social development. So regulatory authority should be active for creating a supportive environment that ensures flexibility and innovation with minimal risk. (Rao N. S, Bhatanga H., 2012) shows that intensity change and technological changes have positive effect on financial inclusion. (Khalily and Khaleque, 2013) used data of a nationally representative household survey conducted by the InM in 210 and showed a relationship between access to credit and the factor productivity of enterprises. The survey data showed that about 32 percent of the households had at least one enterprise and some of the enterprises had received credit from different sources such as formal institutions, micro-finance institutions, and informal lenders, and hence they had some access to credit. That means there is a positive relation between access to credit and productivity. (Onaolapo, A. R., 2015) analyzed data of thirty years period, 1982 to 2012 and examined the effects of financial inclusion on the economic growth of Nigeria. The study suggested that financial inclusion would have positive significant impacts on economic growth of Nigeria and therefore stressed the need to create deposit and borrowing windows at affordable cost to the poor and to the

income group erstwhile tagged the 'un-bankable.' (Yadav, J. P, Sharma, A. and Meena, M., 2016) tried to find out factors that hinder the growth of financial inclusion and socio economic development of rural India. They concluded that banks should take steps to enhance financial inclusion of unbanked section of the society through reducing their transaction cost. (Mueri, M.K., 2015) conducted a survey on 'Improving Access of the Poor to Financial Services) based on secondary data and materials. This shows that a significant share of the population in Bangladesh do not have access to the formal financial institutions who are mostly the poor in the rural and urban areas. However in recent years, the access to financial services has steadily increased. The overall access as a share of total population increased from 44 percent in 2005 to 56 percent in 2010. As a share of total adult population, it increased from 71 percent to 87 percent over the same period. He suggested that for promoting access to financial services at the required pace and breadth, BB should develop and adopt a comprehensive and detailed guideline for creating inclusive financial system involving the formal banks and financial institutions.

(Khalily, M.A.B., 2016) showed that the intensity of financial literacy in Bangladesh is moderate and it has a positive impact on inclusive finance. The findings of the survey warrant more emphasis on increasing financial literacy for access to finance and informed investment decisions. (Kumbhare, S.S. and Kumar, U., 2016) conducted a survey in two districts of Maharashtra-Gadchiroli and Bhandara in India. Their study showed that for making financial inclusion program effective, awareness is an important determinant of inclusion. The vulnerable remains excluded from the folds of inclusion scheme unless the awareness is pervasive. So extensive awareness should be promoted through erecting camps in the village. All the studies mentioned were mostly related to improving access of the poor to financial services. These studies have helped to determine some driving factors (like awareness, bank promotion, financial literacy) which contribute to smooth the expansion of financial inclusion. The present study is conducted to determine the proportion of marginal people in Rajshahi City being included in financial activities and to get an idea about their knowledge and perception regarding financial inclusion. As inclusion in financial activities is a parameter to measure economic development, this study will hopefully help to find out problems faced by terminal people in case of this inclusion and also to chalk out pragmatic policies that will be helpful to expand regional as well as countrywide development through solving these problems.

3. Financial Inclusion initiatives by Bangladesh Bank

Financial exclusion is a major threat to economy and considering this serious problem, Bangladesh Bank has initiated several policies and launched different schemes aimed at promoting financial inclusion. Some of these projects are- Bangladesh Bank refinance scheme for BDT 10 accounts, Farmers' BDT 10 accounts, Accounts other than farmers' BDT 10 accounts, School Banking, Working/Street Children Banking, Agent Banking, Mobile Financial Services(MFS), Financial literacy Programs, Agricultural Credit. The main target of these projects is bringing more and more people under umbrella of financial inclusion, specially the marginal segment of population.

4. Rationale of the study:

It is hard to imagine a life without financial services, but billions of people around the world do not have to imagine because it is very real to them. Financial exclusion can be described as lacking of access to necessary financial services in appropriate form. Low income people face

problems like deficiency of savings, low investment, complexity to manage loan in the absence of bank accounts and other saving instruments. Poverty is a curse and its gravity increases because of financial exclusion. So, involvement in financial activities and getting financial services are generally perceived as a right of the poor. Financial inclusion has multiplier effects on the economy as a whole through higher savings pooled from the vast segment of the bottom of the pyramid population by providing access to formal savings arrangements resulting in expansion in credit and investment by banks. An inclusive financial service is considered as basement of economic development of a country for many reasons. First, it facilitates proper allocation of effective resources. Second, it helps to improve the day-to-day management of financial services. Third, a well management financial system helps to reduce the growth of informal sources of credit (such as moneylenders) which often tends to be exploitative. Thus by providing avenues for secure and safe saving practices and by facilitating a broad range of financial services, an all-inclusive financial system boosts up economic development. Considering the notable and sustainable impacts of financial inclusion, “ensuring financial access and inclusion” is a critical policy option area to address for most developing countries at present time. Giving a vigilant look to this area, significant number of comprehensive financial inclusion movements have been undertaken by Bangladesh Bank (BB). Although a large number of bank branches and Micro Finance Institutions (MFIs) are available in the country, a big segment of our population particularly rural people has little access to banking services. As more financial inclusion mean more speed in economic growth and development, this article is prepared with an attempt to bring light on inclusiveness of marginal people in Rajshahi City in financial activities. Investigating the proportion of marginal people being included in financial services and the major problems from their viewpoint which restrict them from financial inclusion are also purpose of this article.

5. Objectives of the study:

The general objective of the study is to find out the financial inclusion of marginal people in Bangladesh. To achieve the objectives this paper has an aim to focus on the following specific objectives:

- a) To find out Relationship between Financial Inclusion and Improvement of Social Status of Marginal People.
- b) To examine the Impact of Financial Inclusion for balanced Economic Growth.
- c) To find out Contribution of Financial Inclusion to reduce the Gap between Rich and Poor segment of Population.

6. Research Methodology:

The study is mainly a descriptive one and exploratory in nature. Data of this study has been collected from both primary and secondary sources. After collecting data, the result has been analyzed using different diagrams like pie chart, bar diagram and histogram. Both qualitative and quantitative methods have been used to interpret the outcome.

6.1 Methods of Data Collection:

A scaled questionnaire has been prepared to analyze response of the respondents. The survey is conducted on 50 marginal people. This questionnaire is divided into five components and twenty two sub components. Questions of the question paper are based on the objective of getting an idea regarding terminal peoples' perception about financial inclusion. Responses have been taken using five scales Likert scale. These five scales are as- Strongly Disagree=1, Disagree=2, Neutral=3, Agree=4, Strongly Agree=5.

6.2. Description of the sample

This survey has captured a representative sample of 50 respondents. They have been taken from different places of Rajshahi City, as Rajshahi University Campus, Railway Station, Rajshahi Medical College, Shaheb Bazar, Residential areas (Padma Abasik, Cahandima Abasik), Bank of Padma River, Rajshahi Court area. All respondents are marginal people in terms of their works and income. Information of sample is based on primary data that are collected from volunteer survey. For determining sample, random sampling method has been adopted. Terminal people are selected from different occupations like farmer, day laborer, rickshaw puller, auto driver, street beggar, street children, tea maker, and vegetable and fruit seller. Both male and female respondents are taken for this survey. They are of different age and have passed different educational levels. An overview of sample respondents can be clear from following table. Table -1:

6.3. Gender Distribution:

Of the total 50 respondents, the shares of male and female respondents are 64 percent and 36 percent respectively. See Figure-1

6.4. Age Distribution:

Respondents are of different ages from 10 to 40 years. Numbers of answerer at different ages are shown in figure-2:

6.5. Occupation Distribution

Proportions of different occupations of respondents are shown in figure-3:

7. Statistical Analysis of Sample Survey:

7.1. Educational Levels:

Among 50 respondents, 5 have no educational background (10%). Number of respondents having primary, secondary and higher secondary level of education are 14(28%), 17(34%) and 10 (20%) respectively. 4(8%) have education at graduation level. See Figure-4:

7.2 Income Range of respondents:

For conducting this research, amount of monthly income has been classified into three range- 10 k, 15k and 20k. Among 50 respondents, 20 said that their income range is 10k(40%). According to 16, this range is 20 k(32%) and rest chose 20k(28%). See Figure-5:

7.3 Savings Practices of Respondents

Among 50 answerer, 40 (80%) reported that they do some forms of savings, while the remaining 10 respondents (20%) do not have any sort of savings. From 40 savers, 10 (20%) monthly save about 500 taka while 25(50%) save 1 k in month. Rest of the respondents (10%) say that they save more than 1k in month. See Figure-6:

7.4. Satisfactory level of Respondents

This satisfaction is based on fulfilling basic demands of life like food, house, education etc. 25 (50%) said that they are satisfied with their living standard. 15 (30%) remain at neutral level when others (20%) stay at unsatisfactory level. See Figure-7:

7.5 Financial Inclusion from Interviewers' Viewpoint

Idea of respondents have been taken from six areas-Knowledge, Banks' Activity, Actions of Government/Bangladesh Bank, Performances of NGOs & Insurance Companies, Contribution of Financial Inclusion to Economey and Perception about Financial Inclusion. The result is analysed below:

7.6 Knowledge

Respondents' knowledge is based on available information about financial inclusion, easiness to understand and customer education. On an average, 43% disagree that they have enough

knowledge about financial inclusion, 40% have positive comment and others are at neutral position. It will be clear from table-2. See Figure-8:

7.6 Banks' Activity:

Banks' performance is important for promoting financial activities. It is seen that on an average, people are satisfied with banks' performances. Though some are dissatisfied with this, about 70% agree that banks activities like, promotional work, technological infrastructure are helpful for promoting financial inclusion. Respondents' response to banks activities is shown in table-3: See Figure-9:

7.7 Actions of Government/Bangladesh Bank

Government has the highest authority to direct an activity at right way. Direction of Government regarding to banking activities is mainly implemented by Bangladesh Bank. According to this survey, most people (about 75%) agree that government is doing a lot for poor and terminal people. What sample people think about government activity will be clear from following table-4.

7.8 Performance of NGOs & Insurance Companies

In case of Bangladesh, sometimes it is seen that reliance of poor people on NGOs and insurance companies is comparatively more than banks. It will be also clear from table-5, as on an average only 9% respondents are dissatisfied with NGO performances.

7.9 Contribution of Financial Inclusion to Economy

Economic development largely depends on including more and more people in financial activities. So, marginal peoples thought about this inclusion are very important and crucial matter. More than half of respondents (about 55%) agree that financial inclusions have positive impact on economy when a few (about 20%) are disagree with that. Result has been shown in table-6.

7.10 Perception about Financial Inclusion

Some information has been taken for getting an idea regarding marginal peoples view about financial inclusion. Most people have either positive comment or at neutral position. This information is arranged in table-7.

7.11 Financial Inclusion: Outcomes and Impacts:

The main objective of the current survey was to assess the current condition of financial inclusion of marginal people in Rajshahi city. In this regard a total of 50 respondents were interviewed with structured questionnaire. On the basis of responses from the beneficiaries the following results are found:

- Most respondents (66%) think that enough information is available regarding financial inclusion, but there are difficulties to understand financial terms (60%) and also some lacking of customer education (25%).
- Banks are taking a number of steps and majority of respondents (66%) are satisfied with banks' promotional activities. There are some available investment schemes like – Farmers' BDT 10 accounts, School Banking, Street Children Banking etc. Easy access to MFIs and available technological infrastructure are also playing important role for making financial activities more popular.
- Government is taking a number of initiatives for making financial activities accessible to marginal people. During this survey, it is seen that beneficiaries are becoming aware of these services. 33 of 50 respondents are satisfied with Government projects and activities of Bangladesh Bank for smoothing the path of financial inclusion.
- NGOs & insurance companies are very popular in our country, especially to marginal people. This survey also bears this conclusion. More than 50% of respondents agree that

NGOs are giving sufficient facilities like-easiness to borrow, enough opportunity of loan repayment, credit counseling etc.

- For bringing more people under shade of financial inclusion, they should be well informed about its importance for economic growth, increasing GDP, reducing economic discrimination. Maximum respondents are aware of this though some are still unconscious about its benefits.
- Some respondents are at neutral position regarding necessity of financial activities for improving their present conditions. Many of them think that it is cost effective and also helpful to minimize risk.

8. Conclusions and Policy Recommendations

This survey was carried out with an aim to determine access of marginal people in financial activities. Because of limited time and budget constraints, this survey covered only Rajshahi city. Overall Bangladesh was not included in this study. For taking decision, 50 marginal people were chose from different occupations like rickshaw puller, auto driver, street beggar, street children, and tea/fruit seller. Samples were collected from various parts of Rajshahi City and considered as representative of the terminal section of society.

Against the backdrop of limited sample size and place constraints, this survey is helpful to put forward the policy recommendations.

- Most of the selected section of society is not well educated. So, financial terms should be made easy for them. Training opportunity can be provided for developing customer education.
- Diversified financial products may be offered to lure unbanked population to available financial services. Demand for financial products varies across demographic, geographic, and occupational characteristics etc. BB and commercial banks need to assess market condition and take necessary steps to launch new bank product which would satisfy potential customers.
- Banks and financial institutions should shorten the list of required documents for opening bank accounts. The large number of necessary documents of the clients is a major barrier to financial inclusion. Terminal population, especially engaged with informal sector, often fail to produce identification document, reference, utility bill copy etc. High service charges of banks discourage the poor population to access bank facilities. These charges need to be rationalized according to the ability of the customers.
- Bank personnel should be properly trained to win customers' confidence. Attitude of bank staffs has strong influence on client enrolment. Poor people tend to avoid bureaucratic office environment. Steps should be taken at bank outlets to create client-friendly condition. Setting up help desk / reception desk could be useful in this regard.
- Bangladesh Bank's financial inclusion initiatives have been successful in all respects, especially in relation to the uplift of people's socio-economic condition. The GOB and BB as well need to continue with the development of financial inclusion strategy. The survey results indicate that there is still a large share of marginal population without formal financial services. BB may put more emphasis on devising effective policy guidelines to beef up the present financial inclusion stand.
- As various NGOs have significant importance in life of marginal people, so they have to play crucial role for accelerating financial services. A bridge between bank and non bank financial institutions can be helpful for carrying out this project.

The concept of financial inclusion has gained utmost importance over the last few decades. Almost all the countries have witnessed success after implementing financial inclusion agenda. Experiences of Bangladesh as well as other countries offer strong proof that pursuing such a strategy eventually results in higher growth and fair distribution of its benefits. The Government of Bangladesh (GOB) has included financial deepening as one of the pillars in its 7th Five Year Plan. So dream of development should be made true by making marginal people included into financial activities at maximum level.

8. References:

- Asian Development Bank (2009), Technical Assistance Consultants' *Final Report on Access to Finance*, 1 (2), pp. 1-122.
- Beck T., Demirguc A., Levine K. R., (2004), Finance, Inequality and Poverty: Cross-Country Evidence, *National Bureau of Economic Research*, Working Paper 10979 <http://www.nber.org/papers/w10979>.
- Beck, T., Demirguc A., Kunt, Peria M. S.M (2008), 'Banking Services for Everyone? *Barriers to Bank Access and Use around the World. World Bank Economic Review* 22(3): PP. 397-430.
- Boston Consulting Group (BCG) (2011) 'The Socio – Economic Impact of Mobile Financial Services: Analysis of Pakistan, Bangladesh, India, Serbia and Malaysia.' pp. 1-166.
- ILO, (2019), Developing the Rural Economy through Financial Inclusion: The Role of Access to Finance, *policy guidance notes of ILO*, www.ilo.org/rural.
- Khalily, M. A. B. (2016), Financial Inclusion, Financial Regulation, and Education in Bangladesh. *ADB Working Paper series 621. Tokyo: Asian Development Bank Institute*. pp. 2-31.
- Khalily, M. A. B, Khaleque M. A. (2013), 'Access to Financial Services in Bangladesh', in *National Conference on Microfinance and Development*, 24-25 August 2013, PKSF Auditorium, Institute of Microfinance, Dhaka.
- Khalily, M.A.B., Khaleque M. A. (2013), Access to Credit and Productivity of Enterprises in Bangladesh: Is There Causality? *Working Paper No. 20, Institute of Microfinance, Dhaka*.
- Khalily M. A. Baqui and Khaleque M. A. (2013), Access to Credit and Productivity of Enterprises in Bangladesh: Is there Causality? Institute of Microfinance (InM) , working paper no. 20.
- Mujeri, M. K. (2015), Improving Access of the Poor to Financial Services, *A Report prepared for the General Economic Division of the Planning Commission to serve as a background study for preparing the 7th Five Year Plan (2016-2020) of Bangladesh*. pp. 1-40.
- Onaolapo A. R., (2015), Effects of Financial Inclusion on the economic growth of Nigeria (1982-2012), *International Journal of Business and Management Review*. Vol. 3, No. 8, pp.11-28.
- Rao N. S, Bhatnagar, M. H., (2012), Financial Inclusion: Issues and Prospects, *Pacific Business Review International*, Vol. 5, issue 3. pp. 84-96.
- Sarma, M. (2008), Index of Financial Inclusion, *Indian Council for Research on International Economic Relations*. Working Paper no 15. pp. 2-26.
- Sinha S. (2011), *Bangladesh Microfinance Review*, pp. 1-27.
- Serrao V. M. , Sequeira H. A., Varambally, M. K.V., (2016), Impact of Financial Inclusion on the Socio-Economic Status of Rural and Urban Households of Vulnerable Sections in Karnataka, [ResearchGate.net/publications/289220260](https://www.researchgate.net/publications/289220260).PP.
- UN (2006), Building Inclusive Financial Sector for Development, *United Nations Department of Public Information, New York*. UN Publications Number: E.06.II.A.3. pp. 1-76.
- World Bank (2007), Bangladesh: Strategy for Sustained Growth, *Poverty Reduction and Economic Management Sector Unit South Asia Region*. Volume II, Report No. 38289-BD.
- World Bank (2008), Finance for All? Policies and Pitfalls in Expanding Access, *A World Bank Policy Research Report*. pp. 1-175.

Appendices: Table, Figures and Charts:**Table-1: Description of the sample**

Occupation	Gender		Educational Qualification				
	Male	Female	Illiterate	1-5	6-10	11-12	Above
Rickshaw Puller	10	0	0	3	5	2	0
Farmer	5	3	0	1	3	2	2
Day Laborer	4	4	1	1	3	3	0
Auto Driver	3	0	0	1	1	1	0
Vegetable/Fruit /Tea Seller	5	4	0	3	2	2	2
Street Children	2	2	1	2	1	0	0
Street Beggar	3	5	3	3	2	0	0
Total	32	18	5	14	17	10	4

Table-2: Financial Inclusion Knowledge of the marginal people

Knowledge	SD	D	N	A	SA
Available information about financial inclusion	4	6	7	15	18
Easiness to understand	10	20	5	7	8
Customer education	20	5	3	10	2

Table-3: Banks Activities for Financial Inclusion

Banks' Activity	SD	D	N	A	SA
Enough Promotional Activities for Inclusion	2	10	5	25	8
Availability of Different Investment Schemes (Deposit, Loan etc.)	0	3	4	25	18
Encouragement & Cooperative Activities	5	10	6	18	11
Technological Infrastructure	1	10	3	20	16
Access to Mobile Financial Services(MFIs)	2	10	5	14	19

Table-4: Actions of Govt. /Bangladesh Bank for Financial Inclusion

Actions of Govt./Bangladesh Bank	SD	D	N	A	SA
Programs Initiated for Marginal People & Easy Access to Them	2	5	10	20	13
Providing Enough Importance to Terminal Part of Society	0	5	3	30	12

Table-5: Performance of NGOs and Insurance Companies

Performances of NGOs & Insurance Companies	SD	D	N	A	SA
Access to Marginal People	0	0	5	30	15
Easiness to Borrow	0	10	10	20	10
Enough Opportunity of Loan Repayment & Reinvestment	2	0	15	21	12
Credit Counseling	0	5	15	10	20

Table-6: Contribution of Financial Inclusion to Economy

Contribution of Financial Inclusion to Economy	SD	D	N	A	SA
Economic Growth	1	10	10	20	9
Increasing GDP	2	12	13	23	0
Developing Financial Condition of Poor	0	4	15	25	6
Helpful to Reduce Economic Discrimination	5	5	12	24	4

Table-7: Perception about Financial Inclusion

Perception about Financial Inclusion	SD	D	N	A	SA
Importance of Financial Activities for Improving Condition	5	4	20	15	6
Risk Minimization(Security& Trust)	3	6	11	20	10
Responsiveness	1	10	23	11	5
Cost Effectiveness	6	5	9	15	15

Figure-1: Gender Distribution of Sample

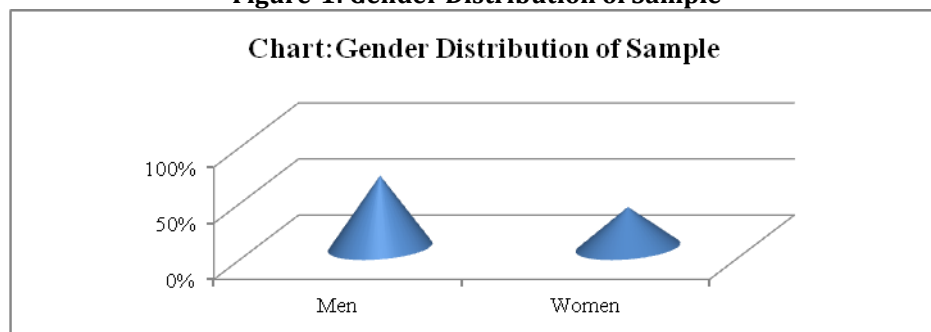


Figure-2: Age Distribution of Sample

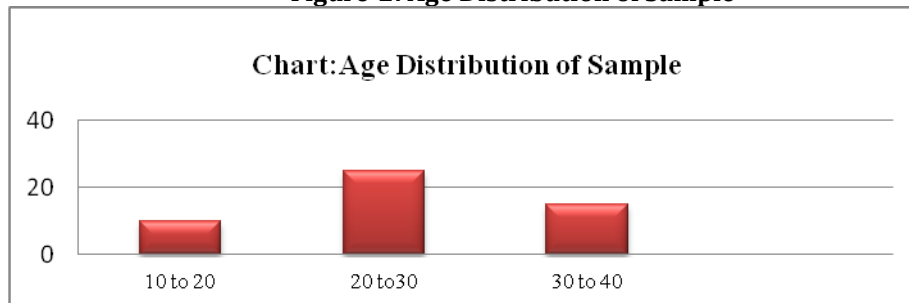


Figure-3: Occupation Distribution of Sample

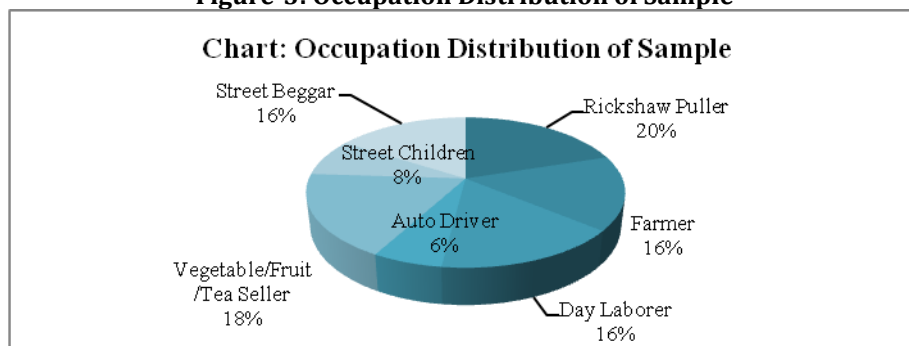


Figure-4: Educational Levels of the Sample

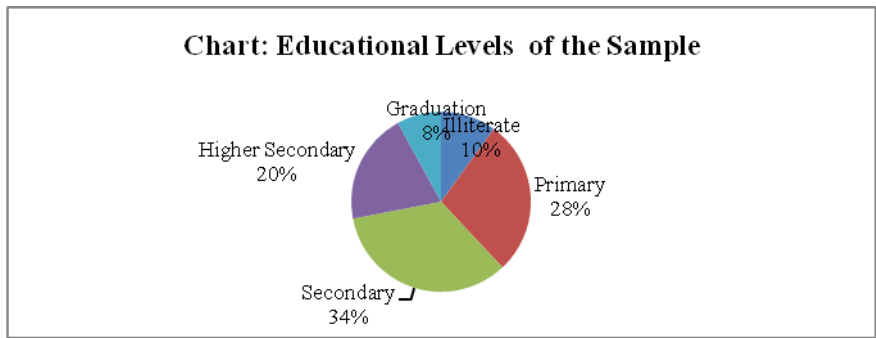


Figure-5: Income Range of Respondents

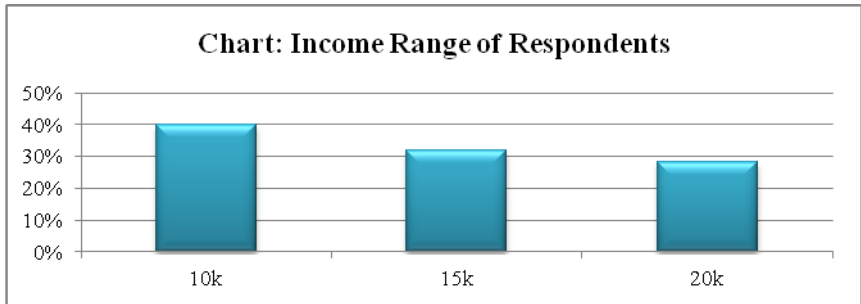


Figure-6: Saving Attitude of Respondents

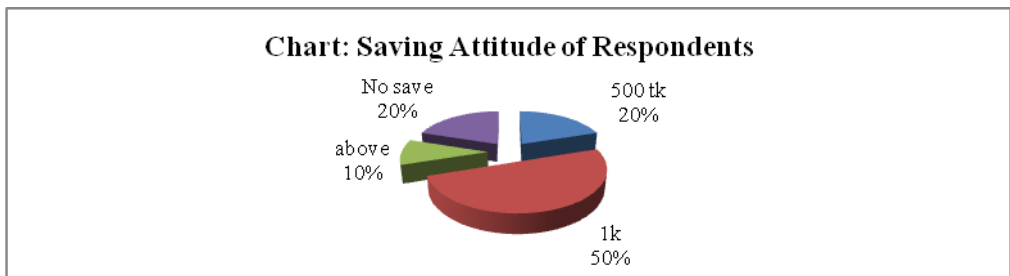


Figure-7: Satisfaction of Respondents

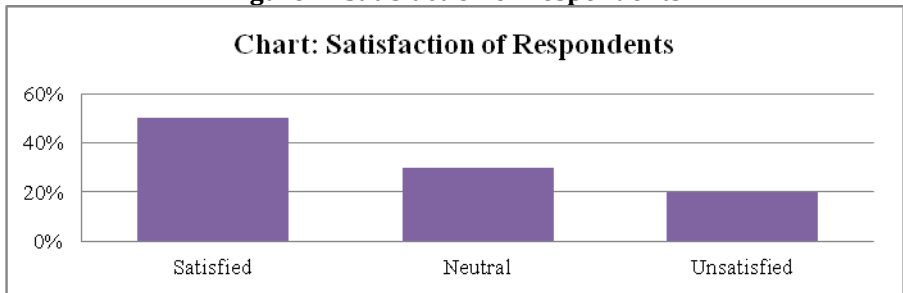


Figure-8: Knowledge

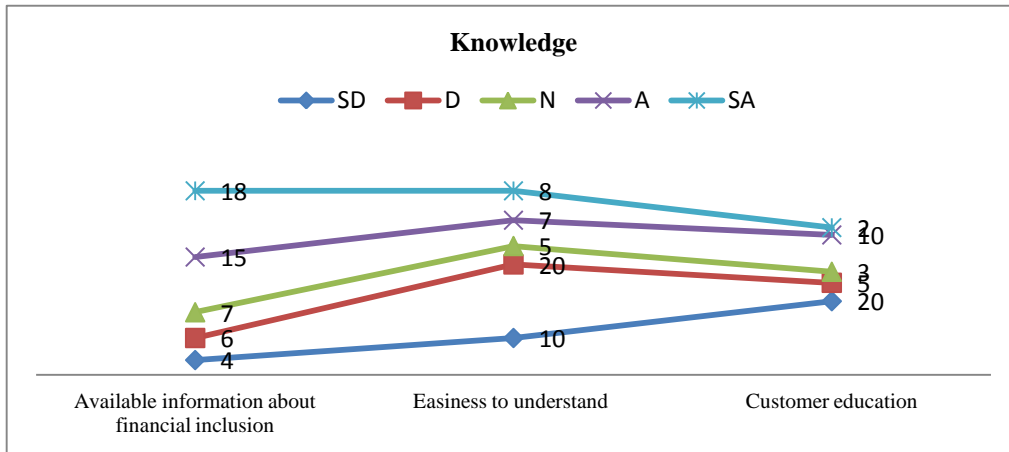


Figure-9: Banks' Activity

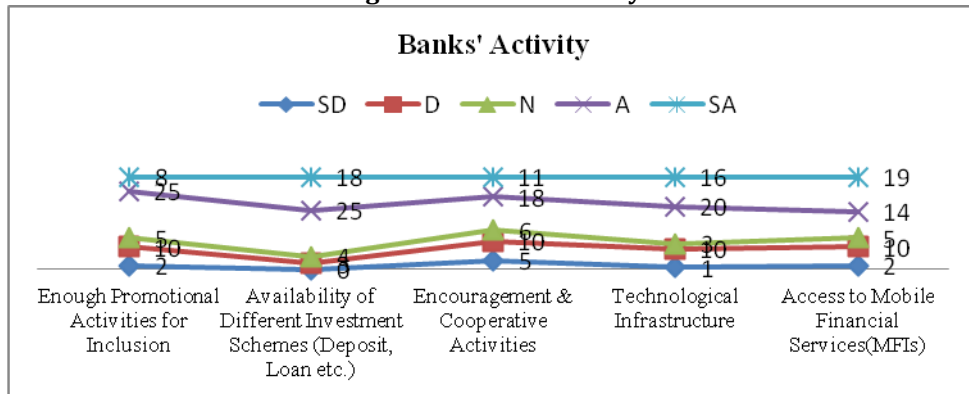


Figure-10: Actions of Government

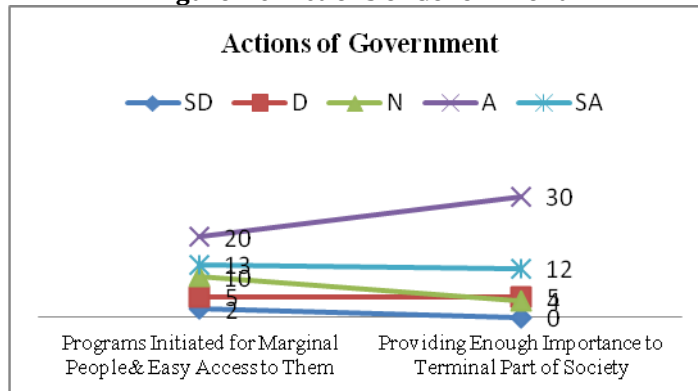


Figure-10: Performance of NGOs & Insurance Company

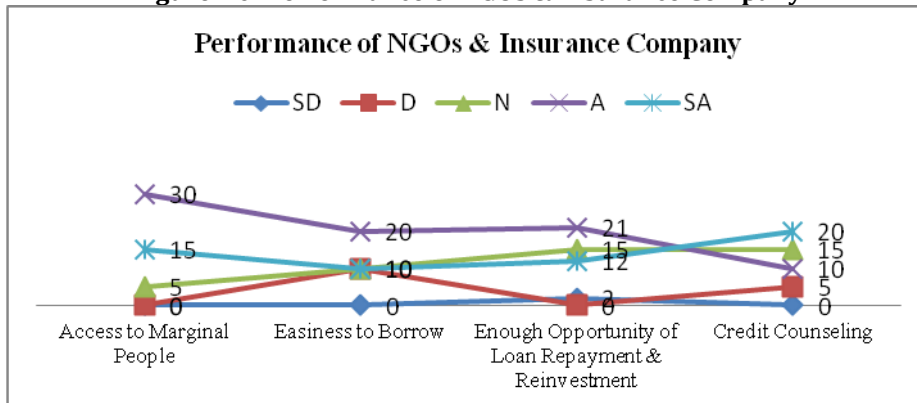


Figure-11: Contribution of Financial Inclusion to Economy

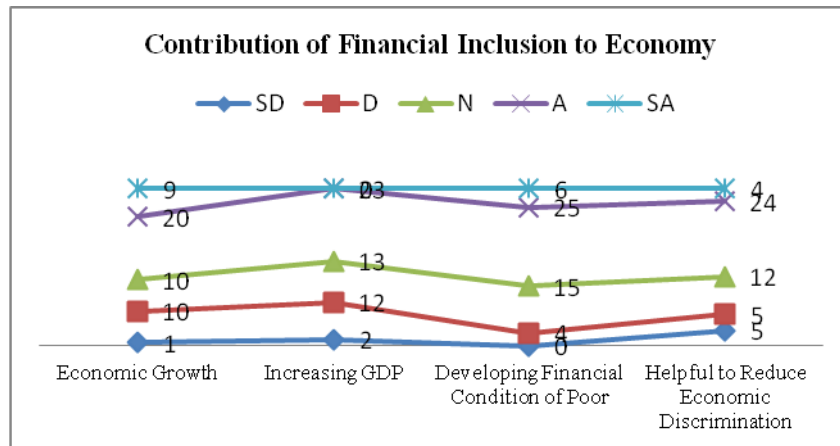
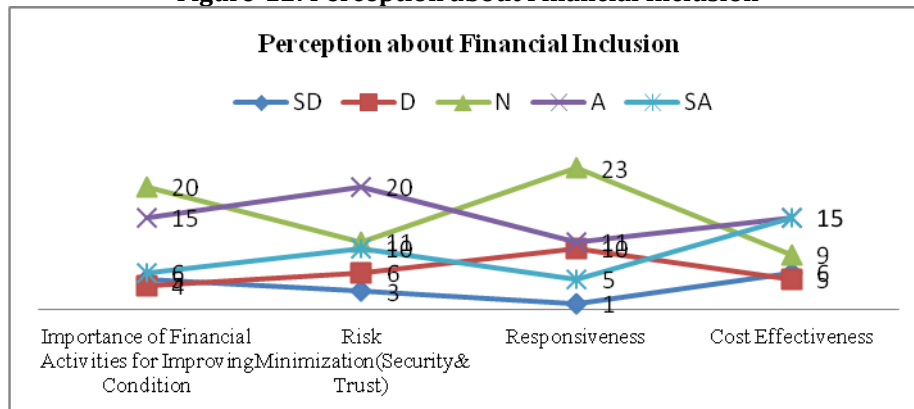


Figure-12: Perception about Financial Inclusion



Cite this article:

Prapti Saha & Md. Abdul Kuddus (2020). Financial Inclusion of Marginal People: A Study on Rajshahi City. *International Journal of Science and Business*, 4(1), 200-213. doi: 10.5281/zenodo.3673549

Retrieved from <http://ijsab.com/wp-content/uploads/456.pdf>

Published by

