

Name of Research Scholar: Mr. Kashif Iqbal Siddiqui

Name of Supervisor: Dr. Taufeeque Ahmad Siddiqui

Department/Centre: Centre for Management Studies, Jamia Millia Islamia

Title of Thesis: Modelling Relationship between Financial and Social Inclusion

Keywords: Financial Inclusion, India, SmartPLS, Social Inclusion, Structural Equation Modelling

Findings

This study aimed to model the relationship between financial and social inclusion in India. The hypothesized models were proposed, and several hypotheses were formulated to explore the relationships between financial and social inclusion. Multi-stage random sampling was used to collect primary data from 601 respondents from the target population using a structured questionnaire. Quantitative data was coded, and preliminary screening was performed using SPSS software. Further, the proposed hypotheses were tested using SmartPLS software to examine the association between financial and social inclusion. The study answered the research question by confirming a significant relationship between financial and social inclusion and identified the dimensions through which this relationship is enacted. The insights of the current study will help to address the pressing issue of exclusion of a marginalized section of the society that has been a point of concern for researchers and policymakers.

Although few previous studies have found links between financial and social inclusion in some contexts, these links have not been thoroughly examined empirically with primary data. This is one of the first studies to empirically examine the relationships between financial and social Inclusion in India using primary data. After an extensive and detailed literature review, an attempt has been made to fill existing research gaps. First, the relationships between financial and social inclusion are empirically examined using primary data. Second, for the first time, dimensions of financial inclusion are tested on social inclusion and vice versa. The current study has validated the significant relationships between financial and social inclusion.

In general, the current study has found that financial inclusion has a positive and significant impact on social inclusion. Similarly, social inclusion also has a positive and significant impact on financial inclusion. Hence, it can be said that bidirectional relationships exist between financial

and social inclusion. Specifically, the study found that financial inclusion dimensions (Literacy, Access, Usage, and Deftness) significantly influence social inclusion dimensions (Societal, Technological, Economic, and Political) and vice versa.

The multi-group analysis examines the categorical moderating effect of age, education, gender, income, location, religion and social category. The result showed no significant difference for selected categorical moderating variables except income and location on the relationship between financial and social inclusion. The mediation analysis results indicate that technological inclusion partially mediates the relationships between financial inclusion dimensions (Literacy, Access, Usage and Deftness) and social inclusion dimensions (Societal, Economic and Political). Hence, technological inclusion is a mechanism through which the relationship between financial and social inclusion is enacted.