



A STUDY ON FINANCIAL INCLUSION AMONG TRIBAL HOUSEHOLDS IN TAMIL NADU

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Abstract

The objective of financial inclusion is to extend the scope of activities of the organized financial system to include people with low incomes within its ambit. The results reveal that 76 per cent of tribal households access Savings Bank and / or Current Deposits with Commercial banks / Co-operatives / Regional Rural Banks (RRBs) and nearly 24 per cent of tribal households access Fixed Deposits and / or Recurring Deposits with Commercial banks / Co-operatives / RRBs. More than 77 per cent of tribal households access deposits with SHG groups with or without bank linkage and little more than 28 per cent per cent of tribal households access Life / General Insurance with any of insurance service providers. The results indicate that 9.50 per cent of tribal households are totally financially excluded. While, 12.48 per cent of tribal households belong to low level of financial inclusion, 47.80 per cent of tribal households belong to medium level of financial inclusion and 30.22 per cent of tribal households belong to high level of financial inclusion. There is a significant association between socio-economic characteristics of the tribal households and their level of financial inclusion. Therefore, it is suggested that the banks should have to evolve specific strategies to expand the outreach of their services in order to promote financial inclusion among the tribal households. One of the ways in which this can be achieved in a cost-effective manner is through forging linkages with micro finance institutions and local tribal communities.

Key Words: *Deposits, Financial Inclusion, Tribal Households.*

1. Introduction

The rural population in India suffers from a great deal of indebtedness and is subject to exploitation in the credit market due to high interest rates and the lack of convenient access to credit. Rural households need credit for investing in agriculture and smoothening out seasonal fluctuations in earnings. Since cash flows and savings in rural areas for majority of the households are small, rural households typically tend to rely on credit for other consumption needs like education, food, housing and household functions. Rural households need access to financial institutions that can provide them with credit at lower rates and at reasonable terms than the traditional money-lender and thereby help them avoid debt-traps (Vallabh and Chathrath, 2006).

Financial inclusion denotes delivery of financial services at an affordable cost to vast sections of disadvantaged and low-income groups. The various financial services include credit, savings, insurance and payments and remittance facilities. The objective of financial inclusion is to extend the scope of activities of the organized financial system to include people with low incomes within its ambit. In India, focus of financial inclusion at present is more or less confined to ensuring a bare minimum access to a savings bank account. However, having a current account/savings account on its own, cannot be regarded as an accurate indicator of financial inclusion.

Easy access to financial services will allow the households living in lower strata, to save money safely and help in preventing concentration of economic power with a few individuals, thus mitigating the risks that the poor could face as a result of economic shocks. Therefore, providing access to financial services is becoming an area of concern as it has far reaching economic and social implications (Usha, 2007). With this background, the present research is made to study financial inclusion among tribal households in Tamil Nadu.

2. Methodology

The Tamil Nadu state has been purposively selected for the present study. The tribal households have been selected for the present study by adopting random sampling technique. The data have been collected from 1843 tribal households through interview schedule and the data pertain to the year 2014-2015. In order to understand the socio-economic characteristics, access to deposit and insurance and financial inclusion index, the frequency and percentage analysis have been carried out. In order to study the association between socio-economic characteristics of the tribal households and the level of financial inclusion, the Chi-Square test has been applied.

3. Results and Discussion

3.1. Socio-Economic Characteristics of the Tribal Households

The socio-economic characteristics of the tribal households were analyzed and the results are presented in Table-1. The results show that 31.09 per cent of tribal households belong to the age group of 31 – 40 years, 25.99 per cent of tribal



households belong to the age group of 21 – 30 years, 21.60 per cent of tribal households belong to the age group of 41 – 50 years, 15.57 per cent of tribal households belong to the age group of 16 – 20 years and 5.75 per cent of tribal households belong to the age group of above 50 years. It is observed that 35.00 per cent of tribal households are illiterates, 34.67 per cent of tribal households have primary education, 18.18 per cent of tribal households have higher secondary education, 6.51 per cent of tribal households have secondary education and 5.64 per cent of tribal households are graduates.

The results indicate that 29.30 per cent of tribal households belong to the monthly income group of Rs.3,001 - Rs.6,000, 25.23 per cent of tribal households belong to the monthly income group of Rs.6,001 - Rs.9,000, 20.84 per cent of tribal households belong to the monthly income group of less than Rs.3,000, 17.52 per cent of tribal households belong to the monthly income group of Rs.9,001 - Rs.12,000 and 7.11 per cent of tribal households belong to the monthly income group of more than Rs.12,000. It is clear that 57.35 per cent of tribal households are married, 24.42 per cent of tribal households are unmarried, 11.39 per cent of tribal households are widows and 6.84 per cent of tribal households are divorced.

Table 1: Socio-Economic Characteristics of the Tribal Households

Socio-Economic Profile	Frequency	Percentage
Age Group		
16 – 20 years	287	15.57
21 – 30 years	479	25.99
31 – 40 years	573	31.09
41 – 50 years	398	21.60
Above 50 years	106	5.75
Educational Qualification		
Illiterate	645	35.00
Primary	639	34.67
Secondary	120	6.51
Higher Secondary	335	18.18
Graduation	104	5.64
Monthly Income		
Less than Rs.3,000	384	20.84
Rs.3,001 - Rs.6,000	540	29.30
Rs.6,001 - Rs.9,000	465	25.23
Rs.9,001 - Rs.12,000	323	17.52
More than Rs.12,000	131	7.11
Marital Status		
Married	1057	57.35
Unmarried	450	24.42
Divorced	126	6.84
Widow	210	11.39
Type of Family		
Joint Family	1197	64.95
Nuclear Family	646	35.05
Community		
Todas	195	10.58
Kotas	360	19.53
Kurumbas	390	21.16
Irulas	533	28.92
Kattunayakan	256	13.89
Paniyan	109	5.92

The results reveal that 64.95 per cent of tribal households belong to the joint family and the remaining 35.05 per cent of tribal households belong to the nuclear family. It is apparent that 28.92 per cent of tribal households belong to the Irulas community, 21.16 per cent of tribal households belong to the Kurumbas community, 19.53 per cent of tribal households belong to the Kotas community, 13.89 per cent of tribal households belong to the Kattunayakan community, 10.58 per cent of tribal households belong to the Todas community and 5.92 per cent of tribal households belong to the Paniyan community.



3.2. Access to Deposit and Insurance among Tribal Households

The access to deposit and insurance among the tribal households is presented in Table-2.

Table 2: Access to Deposit and Insurance among Tribal Households

S. No	Access to Deposit and Insurance	Status	Number of	Percentage
1.	Savings Bank and / or Current Deposits with Commercial banks / Co-operatives / Regional Rural Banks (RRBs)	Access	1397	75.80
		Not Access	446	24.20
		Total	1843	100.00
2.	Fixed Deposits and / or Recurring Deposits with Commercial banks / Co-operatives / RRBs	Access	446	24.20
		Not Access	1397	75.80
		Total	1843	100.00
3.	Deposits with SHG groups with or without bank linkage	Access	1409	76.45
		Not Access	434	23.55
		Total	1843	100.00
4.	Life / General Insurance with any of insurance service providers	Access	511	27.73
		Not Access	1332	72.27
		Total	1843	100.00

The results indicate that 75.80 per cent of tribal households access Savings Bank and / or Current Deposits with Commercial banks / Co-operatives / Regional Rural Banks (RRBs), while, the remaining 24.20 per cent of tribal households do not access Savings Bank and / or Current Deposits with Commercial banks / Co-operatives / Regional Rural Banks (RRBs). It is observed that 24.20 per cent of tribal households access Fixed Deposits and / or Recurring Deposits with Commercial banks / Co-operatives / RRBs, while, the remaining 75.80 per cent of tribal households do not access Fixed Deposits and / or Recurring Deposits with Commercial banks / Co-operatives / RRBs.

The results show that 76.45 per cent of tribal households access deposits with SHG groups with or without bank linkage, while, the remaining 23.55 per cent of tribal households do not access deposits with SHG groups with or without bank linkage. It is apparent that 27.73 per cent of tribal households access Life / General Insurance with any of insurance service providers, while, the remaining 72.27 per cent of tribal households do not access Life / General Insurance with any of insurance service providers.

3.3. Financial Inclusion Index for the Tribal Households

The financial inclusion index for the tribal households was calculated and the results are presented in Table-3.

Table 3: Financial Inclusion Index for the Tribal Households

S. No	Financial Inclusion Index	Number of Tribal Households	Percentage
1.	Low (1-29 %)	230	12.48
2.	Medium (30-60%)	881	47.80
3.	High (61 and Above %)	557	30.22
4.	Financially Excluded (0%)	175	9.50
	Total	1843	100.00

The results show that 9.50 per cent of tribal households are totally financially excluded. While, 12.48 per cent of tribal households belong to low level of financial inclusion, 47.80 per cent of tribal households belong to medium level of financial inclusion and 30.22 per cent of tribal households belong to high level of financial inclusion.

3.4. Age Group and Financial Inclusion

The relationship between age group of tribal households and their level of financial inclusion was analyzed and the results are presented in Table-4.



Table 4: Age Group and Financial Inclusion

S. No	Age Group	Level of Financial Inclusion				Total	Chi-square Value	Sig.
		Low	Medium	High	Financially Excluded			
1.	16 – 20 years	7 (2.44)	171 (59.58)	102 (35.54)	7 (2.44)	287 (15.57)	90.820	.000
2.	21 – 30 years	82 (17.12)	198 (41.34)	137 (28.60)	62 (12.94)	479 (25.99)		
3.	31 – 40 years	73 (12.74)	280 (48.87)	171 (29.84)	49 (8.55)	573 (31.09)		
4.	41 – 50 years	48 (12.06)	177 (44.47)	117 (29.40)	56 (14.07)	398 (21.60)		
5.	Above 50 years	20 (18.87)	55 (51.89)	30 (28.30)	1 (0.94)	106 (5.75)		
	Total	230 (12.48)	881 (47.80)	557 (30.22)	175 (9.50)	1843 (100.00)	-	-

(The figures in the parentheses are per cent to total)

The results show that out of 287 tribal households who belong to the age group of 16 – 20 years, 59.58 per cent of tribal households are at medium level of financial inclusion, 35.54 per cent of tribal households are at high level of financial inclusion and 2.44 per cent of tribal households are at low level of financial inclusion, while, 2.44 per cent of tribal households are financially excluded.

The results indicate that out of 479 tribal households who belong to the age group of 21 – 30 years, 41.34 per cent of tribal households are at medium level of financial inclusion, 28.60 per cent of tribal households are at high level of financial inclusion and 17.12 per cent of tribal households are at low level of financial inclusion, while, 12.94 per cent of tribal households are financially excluded.

It is clear that out of 573 tribal households who belong to the age group of 31 – 40 years, 48.87 per cent of tribal households are at medium level of financial inclusion, 29.84 per cent of tribal households are at high level of financial inclusion and 12.74 per cent of tribal households are at low level of financial inclusion, while, (8.55 per cent of tribal households are financially excluded.

It is observed that out of 398 tribal households who belong to the age group of 41 – 50 years, 44.47 per cent of tribal households are at medium level of financial inclusion, 29.40 per cent of tribal households are at high level of financial inclusion and 12.06 per cent of tribal households are at low level of financial inclusion, while, 14.07 per cent of tribal households are financially excluded.

It is apparent that out of 106 tribal households who belong to the age group of above 50 years, 51.89 per cent of tribal households are at medium level of financial inclusion, 28.30 per cent of tribal households are at high level of financial inclusion and 18.87 per cent of tribal households are at low level of financial inclusion, while, 0.94 per cent of tribal households are financially excluded.

The Chi-square value of 90.820 is significant at one per cent level indicating that there is a significant association between age group of tribal households and their level of financial inclusion. Therefore, the null hypothesis of there is no significant association between age group of tribal households and level of financial inclusion is rejected.

3.5. Educational Qualification and Financial Inclusion

The relationship between educational qualification of tribal households and their level of financial inclusion was analyzed and the results are presented in Table-5.

Table 5: Educational Qualification and Financial Inclusion

S. No	Educational Qualification	Level of Financial Inclusion				Total	Chi- square Value	Sig.
		Low	Medium	High	Financially Excluded			
1.	Illiterate	103 (15.97)	316 (48.99)	151 (23.41)	75 (11.63)	645 (35.00)	0.010	.000



2.	Primary	67 (10.49)	287 (44.91)	236 (36.93)	49 (7.67)	639 (34.67)		
3.	Secondary	0 (0.00)	59 (49.17)	61 (50.83)	0 (0.00)	120 (6.51)		
4.	Higher Secondary	52 (15.52)	148 (44.18)	92 (27.46)	43 (12.84)	335 (18.18)		
5.	Graduation	8 (7.69)	71 (68.27)	17 (16.35)	8 (7.69)	104 (5.64)		
	Total	230 (12.48)	881 (47.80)	557 (30.22)	175 (9.50)	1843 (100.00)	-	-

(The figures in the parentheses are per cent to total)

The results show that out of 645 tribal households who are illiterates, 48.99 per cent of tribal households are at medium level of financial inclusion, 23.41 per cent of tribal households are at high level of financial inclusion and 15.97 per cent of tribal households are at low level of financial inclusion, while, 11.63 per cent of tribal households are financially excluded.

The results indicate that out of 639 tribal households who have an educational qualification of primary education, 44.91 per cent of tribal households are at medium level of financial inclusion, 36.93 per cent of tribal households are at high level of financial inclusion and 10.49 per cent of tribal households are at low level of financial inclusion, while, 7.67 per cent of tribal households are financially excluded.

It is clear that out of 120 tribal households who have an educational qualification of secondary education, 50.83 per cent of tribal households are at high level of financial inclusion and 49.17 per cent of tribal households are at medium level of financial inclusion.

It is observed that out of 335 tribal households who have an educational qualification of higher secondary education, 44.18 per cent of tribal households are at medium level of financial inclusion, 27.46 per cent of tribal households are at high level of financial inclusion and 15.52 per cent of tribal households are at low level of financial inclusion, while, 12.84 per cent of tribal households are financially excluded.

It is apparent that out of 104 tribal households who are graduates, 68.27 per cent of tribal households are at medium level of financial inclusion, 16.35 per cent of tribal households are at high level of financial inclusion and 7.69 per cent of tribal households are at low level of financial inclusion, while, 7.69 per cent of tribal households are financially excluded.

The Chi-square value of 0.010 is significant at one per cent level indicating that there is a significant association between educational qualification of tribal households and their level of financial inclusion. Therefore, the null hypothesis of there is no significant association between educational qualification of tribal households and their level of financial inclusion is rejected.

3.6. Monthly Income and Financial Inclusion

The relationship between monthly income of tribal households and their level of financial inclusion was analyzed and the results are presented in Table-6.

Table 6: Monthly Income and Financial Inclusion

S. No	Monthly Income	Level of Financial Inclusion				Total	Chi-square Value	Sig.
		Low	Medium	High	Financially Excluded			
1.	Less than Rs.3,000	74 (19.27)	152 (39.58)	92 (23.96)	66 (17.19)	384 (20.84)	0.026	.000
2.	Rs.3,001 - Rs.6,000	41 (7.59)	316 (58.52)	143 (26.48)	40 (7.41)	540 (29.30)		
3.	Rs.6,001 - Rs.9,000	59 (12.69)	271 (58.28)	109 (23.44)	26 (5.59)	465 (25.23)		
4.	Rs.9,001 – Rs.12,000	56 (17.34)	110 (34.06)	114 (35.29)	43 (13.31)	323 (17.52)		
5.	More than Rs.12,000	0 (0.00)	32 (24.43)	99 (75.57)	0 (0.00)	131 (7.11)		



	Total	230 (12.48)	881 (47.80)	557 (30.22)	175 (9.50)	1843 (100.00)	-	-
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(The figures in the parentheses are per cent to total)

The results show that out of 384 tribal households who belong to the monthly income group of less than Rs.3,000, 39.58 per cent of tribal households are at medium level of financial inclusion, 23.96 per cent of tribal households are at high level of financial inclusion and 19.27 per cent of tribal households are at low level of financial inclusion, while, 17.19 per cent of tribal households are financially excluded.

The results indicate that out of 540 tribal households who belong to the monthly income group of Rs.3,001 - Rs.6,000, 58.52 per cent of tribal households are at medium level of financial inclusion, 26.48 per cent of tribal households are at high level of financial inclusion and 7.59 per cent of tribal households are at low level of financial inclusion, while, 7.41 per cent of tribal households are financially excluded.

It is clear that out of 465 tribal households who belong to the monthly income group of Rs.6,001 - Rs.9,000, 58.28 per cent of tribal households are at medium level of financial inclusion, 23.44 per cent of tribal households are at high level of financial inclusion and 12.69 per cent of tribal households are at low level of financial inclusion, while, 5.59 per cent of tribal households are financially excluded.

It is observed that out of 323 tribal households who belong to the monthly income group of Rs.9,001 - Rs.12,000, 35.29 per cent of tribal households are at high level of financial inclusion, 34.06 per cent of tribal households are at medium level of financial inclusion and 17.34 per cent of tribal households are at low level of financial inclusion, while, 13.31 per cent of tribal households are financially excluded.

It is apparent that out of 131 tribal households who belong to the monthly income group of more than Rs.12,000, 75.57 per cent of tribal households are at high level of financial inclusion and 24.43 per cent of tribal households are at medium level of financial inclusion.

The Chi-square value of 0.026 is significant at one per cent level indicating that there is a significant association between monthly income of tribal households and their level of financial inclusion. Therefore, the null hypothesis of there is no significant association between monthly income of tribal households and their level of financial inclusion is rejected.

3.7. Marital Status and Financial Inclusion

The relationship between marital status of tribal households and their level of financial inclusion was analyzed and the results are presented in Table-7.

Table 7: Marital Status and Financial Inclusion

S. No	Marital Status	Level of Financial Inclusion				Total	Chi-square Value	Sig.
		Low	Medium	High	Financially Excluded			
1.	Married	77 (7.28)	488 (46.17)	408 (38.60)	84 (7.95)	1057 (57.35)	0.029	.000
2.	Unmarried	62 (13.78)	240 (53.33)	137 (30.44)	11 (2.45)	450 (24.42)		
3.	Divorced	37 (29.37)	54 (42.85)	0 (0.00)	35 (27.78)	126 (6.84)		
4.	Widow	54 (25.71)	99 (47.14)	12 (5.72)	45 (21.43)	210 (11.39)		
	Total	230 (12.48)	881 (47.80)	557 (30.22)	175 (9.50)	1843 (100.00)	-	-

(The figures in the parentheses are per cent to total)

The results show that out of 1057 tribal households who are married, 46.17 per cent of tribal households are at medium level of financial inclusion, 38.60 per cent of tribal households are at high level of financial inclusion and 7.28 per cent of tribal households are at low level of financial inclusion, while, 7.95 per cent of tribal households are financially excluded.



The results indicate that out of 450 tribal households who are unmarried, 53.33 per cent of tribal households are at medium level of financial inclusion, 30.44 per cent of tribal households are at high level of financial inclusion and 13.78 per cent of tribal households are at low level of financial inclusion, while, 2.45 per cent of tribal households are financially excluded.

It is clear that out of 126 tribal households who are divorced, 42.85 per cent of tribal households are at medium level of financial inclusion and 29.37 per cent of tribal households are at low level of financial inclusion, while, 27.78 per cent of tribal households are financially excluded.

It is observed that out of 210 tribal households who are widow, 47.14 per cent of tribal households are at medium level of financial inclusion, 25.71 per cent of tribal households are at low level of financial inclusion and 5.72 per cent of tribal households are at high level of financial inclusion, while, 21.43 per cent of tribal households are financially excluded.

The Chi-square value of 0.029 is significant at one per cent level indicating that there is a significant association between marital status of tribal households and their level of financial inclusion. Therefore, the null hypothesis of there is no significant association between marital status of tribal households and their level of financial inclusion is rejected.

3.8. Type of Family and Financial Inclusion

The relationship between type of family of tribal households and their level of financial inclusion was analyzed and the results are presented in Table-8.

Table 8: Type of Family and Financial Inclusion

S. No	Type of Family	Level of Financial Inclusion				Total	Chi- square Value	Sig.
		Low	Medium	High	Financially Excluded			
1.	Joint Family	169 (14.12)	343 (28.66)	554 (46.28)	131 (10.94)	1197 (64.95)	0.057	.000
2.	Nuclear Family	61 (9.44)	538 (83.28)	3 (0.47)	44 (6.81)	646 (35.05)		
	Total	230 (12.48)	881 (47.80)	557 (30.22)	175 (9.50)	1843 (100.00)	-	-

(The figures in the parentheses are per cent to total)

The results show that out of 1197 tribal households who belong to the joint family, 46.28 per cent of tribal households are at high level of financial inclusion, 28.66 per cent of tribal households are at medium level of financial inclusion and 14.12 per cent of tribal households are at low level of financial inclusion, while, 14.12 per cent of tribal households are financially excluded.

The results indicate that out of 646 tribal households who belong to the nuclear family, 83.28 per cent of tribal households are at medium level of financial inclusion, 9.44 per cent of tribal households are at low level of financial inclusion and 0.47 per cent of tribal households are at high level of financial inclusion, while, 6.81 per cent of tribal households are financially excluded.

The Chi-square value of 0.057 is significant at one per cent level indicating that there is a significant association between type of family of tribal households and their level of financial inclusion. Therefore, the null hypothesis of there is no significant association between type of family of tribal households and their level of financial inclusion is rejected.

3.9. Community and Financial Inclusion

The relationship between community of tribal households and level of financial inclusion was analyzed and the results are presented in Table-9.

Table 9: Community and Financial Inclusion

S. No	Community	Level of Financial Inclusion				Total	Chi- square Value	Sig.
		Low	Medium	High	Financially Excluded			
1.	Todas	16 (8.21)	154 (78.97)	1 (0.51)	24 (12.31)	195 (10.58)	0.068	.000



2.	Kotas	59 (16.39)	148 (41.11)	63 (17.50)	90 (25.00)	360 (19.53)		
3.	Kurumbas	60 (15.38)	190 (48.72)	92 (23.59)	48 (12.31)	390 (21.16)		
4.	Irulas	6 (1.13)	200 (37.52)	323 (60.60)	4 (0.75)	533 (28.92)		
5.	Kattunayakan	34 (13.28)	144 (56.25)	72 (28.13)	6 (2.34)	256 (13.89)		
6.	Paniyan	55 (50.46)	45 (41.29)	6 (5.50)	3 (2.75)	109 (5.92)		
	Total	230 (12.48)	881 (47.80)	557 (30.22)	175 (9.50)	1843 (100.00)	-	-

(The figures in the parentheses are per cent to total)

The results show that out of 195 tribal households who belong to Todas community, 78.97 per cent of tribal households are at medium level of financial inclusion, 8.21 per cent of tribal households are at low level of financial inclusion and 0.51 per cent of tribal households are at high level of financial inclusion, while, 12.31 per cent of tribal households are financially excluded.

The results indicate that out of 360 tribal households who belong to Kotas community, 41.11 per cent of tribal households are at medium level of financial inclusion, 17.50 per cent of tribal households are at high level of financial inclusion and 16.39 per cent of tribal households are at low level of financial inclusion, while, 25.00 per cent of tribal households are financially excluded.

It is clear that out of 390 tribal households who belong to Kurumbas community, 48.72 per cent of tribal households are at medium level of financial inclusion, 23.59 per cent of tribal households are at high level of financial inclusion and 15.38 per cent of tribal households are at low level of financial inclusion, while, 12.31 per cent of tribal households are financially excluded.

It is observed that out of 533 tribal households who belong to Irulas community, 60.60 per cent of tribal households are at high level of financial inclusion, 37.52 per cent of tribal households are at medium level of financial inclusion and 1.13 per cent of tribal households are at low level of financial inclusion, while, 0.75 per cent of tribal households are financially excluded.

It is apparent that out of 256 tribal households who belong to Kattunayakan community, 56.25 per cent of tribal households are at medium level of financial inclusion, 28.13 per cent of tribal households are at high level of financial inclusion and 13.28 per cent of tribal households are at low level of financial inclusion, while, 2.34 per cent of tribal households are financially excluded.

The results show that out of 109 tribal households who belong to Paniyan community, 50.46 per cent of tribal households are at low level of financial inclusion, 41.29 per cent of tribal households are at medium level of financial inclusion and 5.50 per cent of tribal households are at high level of financial inclusion, while, 2.75 per cent of tribal households are financially excluded.

The Chi-square value of 0.068 is significant at one per cent level indicating that there is a significant association between community of tribal households and their level of financial inclusion. Therefore, the null hypothesis of there is no significant association between community of tribal households and their level of financial inclusion is rejected.

4. Conclusion

The forgoing analysis reveals that majority of tribal households belong to the age group of 31 – 40 years and majority of tribal households are illiterates. Majority of tribal households belong to the monthly income group of Rs.3,001 - Rs.6,000 and majority of tribal households are married. Majority of tribal households belong to the joint family and majority of tribal households belong to the Irulas community.

The results indicate that 76 per cent of tribal households access Savings Bank and / or Current Deposits with Commercial banks / Co-operatives / Regional Rural Banks (RRBs) and nearly 24 per cent of tribal households access Fixed Deposits and /



or Recurring Deposits with Commercial banks / Co-operatives / RRBs. More than 77 per cent of tribal households access deposits with SHG groups with or without bank linkage and little more than 28 per cent per cent of tribal households access Life / General Insurance with any of insurance service providers.

The results show that 9.50 per cent of tribal households are totally financially excluded. While, 12.48 per cent of tribal households belong to low level of financial inclusion, 47.80 per cent of tribal households belong to medium level of financial inclusion and 30.22 per cent of tribal households belong to high level of financial inclusion. There is a significant association between socio-economic characteristics of the tribal households and their level of financial inclusion.

Therefore, it is suggested that the banks should have to evolve specific strategies to expand the outreach of their services in order to promote financial inclusion among the tribal households. One of the ways in which this can be achieved in a cost-effective manner is through forging linkages with micro finance institutions and local tribal communities.

Banks should give wide publicity to the facility of no frills account. The banks need to redesign their business strategies to incorporate specific plans to promote financial inclusion of tribal households treating it as business opportunity as well as a corporate social responsibility.

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