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# Analysis of Financial Inclusion in India: A Comparative Study of Selected Countries

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***Authors' contributions***

*This work was carried out in collaboration between both authors. Both authors read and approved the final manuscript.*

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## ABSTRACT

The importance of financial inclusion in economic and financial discourse has piqued the interest of academics and practitioners alike. Financial inclusion is viewed as a tool for poverty reduction around the world, and it is now on the agenda of all policymakers in both rich and developing nations. The current study explores the amount of financial inclusion in various nations across the world to highlight the importance of financial inclusion and give insight into the level of financial inclusion globally. Using four metrics from the World Bank Global Findex database 2021, this study assesses the extent of financial inclusion in India, the G20, and SAARC nations. The findings show that India performed better than the global average in terms of account ownership, but it was in the bottom half of G20 nations in terms of account ownership, citizen borrowings, and savings. When compared to the G20 and SAARC countries, India had a very tiny average proportion of borrowings. Government payments in the case of G20 nations were the highest and this statistic was relatively lower in the case of India. A similar pattern was also observed in the case of savings by the citizens. Outcome of the study will go a long way in improving the quality of financial

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inclusion initiatives so that desirable ground level benefits are realized. Findings of the study will not only provide an assessment of the present situation but also provide vital clues for steering relevant and effective policy measures.

*Keywords: Financial inclusion; developed and developing countries; global findex database; paired comparisons.*

## 1. INTRODUCTION

Researchers place financial inclusion at the top of the development agenda [1]. Financial inclusion is becoming a top concern for policymakers, regulators, and development organizations throughout the world, since it has been identified as a key facilitator for seven of the seventeen SDGs [2,3]. Financial inclusion, as described by Rangarajan's committee on financial inclusion (2008) [4], is the process of ensuring that vulnerable groups, such as weaker portions and low-income groups, have access to financial services and sufficient credit when needed and at an affordable rate. Financial inclusion is the inverse of financial exclusion and is defined simply as all people or small and medium companies having access to formal financial services [5,2,6]. By providing the unbanked and underbanked with inclusive access to financial services - the key to growth, in gender equality, poverty reduction, growth equity, and so on - inclusive finance accelerates the development process as well as economic objectives [5,7,8,9].

According to the World Bank's 2017 Global Findex, 1.7 billion adults globally lack access to formal financial services [9]. Financial inclusion proponents claim that boosting access to finance is critical to attaining inclusive growth and development [10,11]. However, there is growing criticism that financial inclusion is little more than a new label for microfinance, the effectiveness of which for poverty alleviation is now being questioned [12-17]. To yet, empirical research on the development impact of financial inclusion has been equivocal [18-24].

Banking and financial services are critical to the development and prosperity of an economy. It is well known that financial growth plays an important role in influencing economic advancement [25]. Financial services contribute to development by decreasing income disparities. Building inclusive financial systems is critical for increasing access to resources, money, and finance in all economies across the world. Increased financial and banking services can be provided to boost growth rates [26]. Making financial services available to everyone symbolizes the challenge of improving access, since doing so will promote equality of opportunity and unlock an economy's full potential [27].

Financial inclusion is a major development objective for nations throughout the world [28,29], since it improves overall living standards [30], reduces poverty [31], and supports economic advancement [32]. Indeed, access to a transaction account allows previously excluded individuals and businesses to fully engage in the financial market [33]. Such an account will allow people to save money, send and receive payments, and establish or receive additional financial services (such as insurance and credit) [34]. The bulk of earlier research has shown that financial inclusion allows households to better manage their financial resources and spend more in their children's education and health [35,36], improving their well-being and raising their potential future earnings [36].

Several studies were carried out analysing and comparing the determinants of financial inclusion among regions [37-42,22,43-48]. Most of the earlier studies [49-52,38,53,54,5] used macro-level indicators to find the determinants of financial inclusion. Additionally, in this research, an attempt was made to include some new indicators like the number of bank accounts, borrowings, receiving government transfers/payments, savings, etc. to study financial inclusion outreach.

The main objective of this paper is to study the status of Financial Inclusion in India and compare it with other G20 and SAARC nations based on gender, education and Income. Against this context, this study seeks to comprehend the many indices of financial inclusion in these nations. This will allow policymakers in various countries to focus their efforts on improving financial inclusion in terms of outreach and utilization of various financial services. The conclusions of this study will assist central bank officials in India, the G20, and SAARC nations in

launching different measures to improve the condition of financial inclusion. Financial inclusion will also contribute to the economic empowerment of the financially excluded population in all nations. This research compares the selected variables determining financial inclusion in the context of G20 and SAARC countries.

## 2. REVIEW OF LITERATURE

In the literature, the importance of financial inclusion is hotly discussed [55,39,56,57,58]. The establishment of an all-inclusive financial system necessitates considering the demands of various users in order to ensure that financial goods are enjoyed by all [46,45,44,59-64,39].

Researchers discovered a large inter-state disparity in India's degree of financial inclusion [64]. Chandigarh was rated highest among Indian states in terms of financial inclusion, while Manipur ranked bottom. Furthermore, of the 28 Indian states, Maharashtra scored top and Chhattisgarh ranked last in terms of the index evaluating financial inclusion. The empirical research performed to uncover the drivers of financial inclusion discovered that "socioeconomic parameters such as income, literacy, and population had a significant association with the level of financial inclusion." Furthermore, it was demonstrated that there is a significant association between financial inclusion and physical communication and information infrastructure.

Other authors used a multidimensional measure to investigate the factors of financial inclusion in Bangladesh [60]. Among the socio-geographic factors studied, the study found that the rural population, household size, and literacy rate were significant. Paved road networks and the internet were discovered to be key infrastructural determinants in affecting financial inclusion. Deposit penetration in the banking sector was discovered to be a strong predictor of financial inclusion.

Authors investigated the factors that influence financial inclusion in Argentina [62]. The study looked at three aspects of financial inclusion: supply-side variables, individual characteristics, and perception issues. Individual characteristics that have a substantial impact on financial inclusion include a person's degree of education, income, and age. Income and age were factors influencing perceptions of various obstacles to involuntary exclusion. Others used a composite index to analyse the financial inclusion level of various nations [49]. In their study, they utilized three critical indicators: outreach, usage quality, and cost of consumption. Another author sought to create a financial inclusion index for Turkey [65]. To analyze the factors of financial inclusion, the author used the technique proposed by [5] and looked at three main dimensions: banking penetration, availability of banking services, and banking system utilization. Authors used the Global Findex database to quantify financial inclusion in important research on the financial inclusion status of various nations throughout the world [51]. They employed four factors to measure financial inclusion in this study. The use of formal accounts, savings behaviour, borrowing sources, and the use of health and agriculture insurance products. Prior research used four primary variables to determine the determinants that influence financial inclusion in SAARC countries [51,66,67]. They are formal bank accounts, savings habits, borrowing sources, and insurance goods. Ownership of accounts in formal financial institutions is one of the most important markers of financial inclusion [51]. According to [67], greater use of formal accounts in China is related to higher income, better education, being a guy, and being older. Female-headed families are less likely to have access to formal money, even in India [68].

"Almost 50% of individuals globally hold an account at a formal financial institution, although account penetration varies greatly across regions, economic categories, and individual characteristics," according to World Bank [69] statistics. Furthermore, 22% of individuals say they have saved money in the previous year at a formal financial institution, and 9% say they have recently taken out a new loan through a bank, credit union, or microfinance organization. Despite the fact that just half of all people in the globe have a bank account, at least 35% of them feel there are hurdles to utilizing their accounts that may be removed by public policy. High costs, physical distance, and a lack of adequate documentation are some of the most frequently mentioned obstacles, while there are important regional and personal variations.

Researchers conducted research on gender and financial inclusion [70]. The data for the study came from Fin Scope Consumer Surveys done in Botswana, the Democratic Republic of the Congo (DRC), Malawi, Mauritius, Mozambique, South Africa, Swaziland, Tanzania, Zambia, and

Zimbabwe over a number of years. According to the report, there is a significant gender gap in account ownership. When the access to account ownership element is broken down, it is clear that women have much fewer bank accounts than males. In formal account ownership, there is a similar gender disparity. According to a comparison of borrowing access, females have equal access. The fact that more women are acquiring loans from the informal sector compensates for the fact that women have less access to credit than males, whether at a bank or a non-bank financial institution. Men and women have different access to savings, emphasizing the gender disparity. Women have less access to savings than males.

Studies on financial inclusion by the formal financial sector conducted around the world considered both formal credit services and formal savings services in order to measure financial inclusion, given that formal savings services, in addition to formal credit services, have a significant impact on an economy's long-term asset growth [71]. Furthermore, "access to formal savings enabled the poor to make worthwhile investments, and insurance enabled them to be less exposed to health shocks and smooth consumer expenditure" [72]. However, many poor people were found being urged to save in developing countries [73,72,74].

The authors analysed the financial inclusion and growth of SAARC nations [75]. Financial knowledge might help the SAARC nation achieve its goal of financial inclusion. Financial literacy and awareness continue to be important barriers to the adoption of financial services and products [76].

Researchers studied how men and women utilize financial services differently [77]. They found that gender has a large impact on who holds a bank account. It was found that families led by women are less likely to possess and use formal financial services in locations with large income and educational gaps [78]. In a recent study, income and education were proven to be effective and relevant indicators for incorporating individuals who are financially excluded. Financial inclusion is also adversely associated to rural employment and population [79].

In their research, authors developed an index of financial inclusion (IFI) for South Asian countries [80]. It found that, despite increased global awareness of the problem, there is currently little study on how South Asian nations compare to other countries in terms of financial inclusion. It represented the relative position of financial inclusion among South Asian countries based on an index of financial inclusion calculated for six South Asian countries from 2004 to 2015 using information from a financial access survey conducted by the International Monetary Fund (IMF) and the Global Index (GI) database. In terms of financial inclusion, India and Bhutan are in a good position, but Pakistan and Afghanistan trail behind because their populations use formal financial services less frequently than those in other South Asian nations.

## 3. METHODOLOGY

In this analysis, we use the World Bank's 2021 Global Findex database. The database comprises survey data from 143 countries and 150,000 people. In each country, national representative samples were picked at random and polled using a standardized questionnaire. Adults aged 15 and above, all civilians, and non-institutionalized groupings of the total population make up the unit of study.

The World Bank Global Findex database contains a range of financial inclusion measures, including account penetration, usage of financial instruments and services (e.g., number of bank withdrawals in a month), saving at formal financial institutions, and savings and loan-taking reasons. Our study used only four metrices to check the access and usage of these financial services by the citizens on the basis of their demographic characteristics. As a result, the database enables us to investigate financial inclusion from several angles. Furthermore, it gives information on the sample's individual characteristics such as age, education, income, and gender. As a result, we utilize these micro datasets to examine financial inclusion in countries such as India, the G20, and SAARC. Bhutan and the Maldives have been removed from the current analysis due to a lack of data. Further, data was analysed using a paired comparison test on IBM SPSS 20.

## 4. RESULTS AND DISCUSSION

The accompanying Table 1 depicts the vast differences in account ownership rates among different economies worldwide in 2021. In India, 78% of individuals held bank accounts. Account ownership more than doubled between 2011 and 2021, going from 35% to 78%. This was the

consequence of a 2014 Indian government program that utilized biometric identity cards to expand adult non-banking account ownership. Canada, Germany, and the United Kingdom were among the G20 countries having complete ownership of their accounts. Indonesia ranked very low due to a relatively low number of its citizens—52 percent—holding bank accounts. Sri Lanka ranks first among SAARC nations, with 89% of the population holding an account. Adults with less education, defined as having just a basic school education or less, continued to have lower rates of account ownership. Adults with less education are more likely to be victims of fraud and to be poor, making encouraging account ownership among this demographic harder. individuals with lower levels of education in India were four percentage points less likely to have an account than individuals with higher levels of education. In South Africa, for example, those with a greater level of education were 13 percentage points more likely to have accounts than adults with a lower level of education. This disparity was 20% in Turkey and 38% in the United States. Adults in poor nations were less likely than their rich counterparts to have accounts. In India, poorer individuals had 78% account ownership in 2021, while richer adults had 77%. Because account ownership is almost universal in these economies, there is rarely a large discrepancy in account ownership between affluent and poor people. However, there were a few outliers. There was a double-digit account ownership disparity between wealthy and poor people in Saudi Arabia and Turkey. Among SAARC nations, the difference was in the single digits. Paired comparisons across various categories indicate a significant difference in account ownership on the basis of gender, education, and income.

**Table 1. Account ownership (Figures in percentages)**

| Country | Account | Account, female | Account, male | Account, primary education, or less | Account, secondary education, or more | Account, income, poorest 40% | Account, income, richest 60% |
|---|---|---|---|---|---|---|---|
| India | 78 | 78 | 78 | 76 | 81 | 78 | 77 |
| Argentina | 72 | 74 | 70 | 57 | 80 | 65 | 76 |
| Australia | 99 | 100 | 99 | 86 | 100 | 98 | 100 |
| Brazil | 84 | 81 | 87 | 81 | 86 | 82 | 85 |
| Canada | 100 | 100 | 100 | 90 | 100 | 99 | 100 |
| China | 89 | 87 | 90 | 83 | 97 | 83 | 92 |
| France | 99 | 100 | 98 | 96 | 100 | 98 | 100 |
| Germany | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Indonesia | 52 | 52 | 51 | 40 | 62 | 47 | 55 |
| Italy | 97 | 97 | 97 | 97 | 97 | 95 | 99 |
| Japan | 98 | 99 | 98 | 94 | 99 | 98 | 99 |
| Korea | 99 | 99 | 99 | 96 | 99 | 97 | 100 |
| Russia | 90 | 90 | 89 | 82 | 90 | 86 | 92 |
| Saudi Arabia | 74 | 63 | 82 | 77 | 74 | 67 | 79 |
| South Africa | 85 | 86 | 85 | 76 | 89 | 78 | 90 |
| Turkey | 74 | 63 | 85 | 62 | 82 | 61 | 83 |
| U. K | 100 | 100 | 100 | 98 | 100 | 100 | 100 |
| U. S | 95 | 97 | 93 | 58 | 96 | 91 | 97 |
| Afghanistan | 10 | 5 | 15 | 5 | 23 | 6 | 12 |
| Bangladesh | 53 | 43 | 63 | 47 | 57 | 49 | 56 |
| Nepal | 54 | 50 | 59 | 51 | 63 | 45 | 60 |
| Pakistan | 21 | 13 | 28 | 15 | 35 | 18 | 23 |
| Sri Lanka | 89 | 89 | 89 | 77 | 93 | 87 | 91 |
| Paired comparison mean difference* (p-value) | | **3.86 (0.029)** | | **11.26 (<0.0001)** | | **6.00 (<0.0001)** | |

**Mean Difference is Mean of First Category-Mean of Second Category*

**Table 2. Borrowings by citizens (Figures in percentages)**

| Country | Borrowed any money | Borrowed any money, female | Borrowed any money, male | Borrowed any money, primary education, or less | Borrowed any money, secondary education, or more | Borrowed any money, income, poorest 40% | Borrowed any money, income, richest 60% |
|---|---|---|---|---|---|---|---|
| India | 45 | 46 | 44 | 46 | 44 | 43 | 46 |
| Argentina | 52 | 52 | 52 | 44 | 56 | 52 | 51 |
| Australia | 67 | 68 | 66 | 28 | 68 | 60 | 72 |
| Brazil | 59 | 53 | 64 | 47 | 64 | 52 | 63 |
| Canada | 86 | 86 | 86 | 49 | 87 | 81 | 90 |
| China | 56 | 52 | 59 | 53 | 60 | 54 | 57 |
| France | 53 | 52 | 53 | 36 | 55 | 54 | 52 |
| Germany | 66 | 66 | 67 | 64 | 67 | 64 | 68 |
| Indonesia | 42 | 42 | 41 | 42 | 41 | 43 | 41 |
| Italy | 59 | 60 | 58 | 59 | 59 | 55 | 61 |
| Japan | 64 | 63 | 66 | 32 | 69 | 55 | 71 |
| Korea | 75 | 71 | 78 | 52 | 79 | 62 | 83 |
| Russia | 51 | 49 | 53 | 55 | 51 | 53 | 50 |
| Saudi Arabia | 60 | 55 | 63 | 16 | 62 | 56 | 62 |
| South Africa | 60 | 63 | 58 | 62 | 60 | 53 | 65 |
| Turkey | 65 | 55 | 74 | 55 | 71 | 63 | 66 |
| U. K | 62 | 64 | 60 | 58 | 62 | 62 | 62 |
| U. S | 76 | 76 | 76 | 27 | 78 | 62 | 86 |
| Afghanistan | 68 | 71 | 65 | 71 | 58 | 76 | 63 |
| Bangladesh | 46 | 45 | 48 | 46 | 46 | 49 | 44 |
| Nepal | 54 | 52 | 57 | 56 | 49 | 56 | 53 |
| Pakistan | 30 | 30 | 31 | 29 | 34 | 31 | 30 |
| Sri Lanka | 42 | 43 | 41 | 34 | 44 | 43 | 41 |
| Paired comparison mean difference (p-value) | | -1.04 (0.115) | | **13.17 (0.0023)** | | **4.26 (0.029)** | |

**Mean Difference is Mean of First Category-Mean of Second Category*

Table 2 shows the percentage of borrowings made by persons globally in 2021. When compared to the G20 and SAARC countries, India had a very low average proportion of borrowings. In India, 45% of persons reported borrowing money in the previous year, compared to 62% in the G20 and 48% in SAARC. In India, the gender difference was 2 percentage points. Women took out more loans than men did. In the G20, nations such as Brazil and Turkey have double-digit gender disparities. Men borrowed the most money overall as compared to women. In SAARC countries, the gender gap was one decimal point. There was a 1-to-2-point educational discrepancy between adults with primary and secondary education. In G20 nations, however, there was a double-digit gap between these people. Adults with greater education were more likely to borrow money in the previous year. These countries likewise have wealth disparities. Adults with higher incomes were more likely to borrow money than those with lower incomes. The discrepancy between these adults reached double digits in G20 nations, whereas it was just one digit in India and the SAARC countries. Paired comparisons indicate a significant difference on the basis of borrowings across education and income, while there was no significant difference on the basis of gender.

Table 3 shows the proportion of respondents who claim to have personally received any type of government payment in the previous year, including transfers, pension benefits, or salaries. This includes payments for health care or education, as well as any social benefits such as unemployment compensation or subsidy payments. SAARC nations got far fewer government contributions on average than India and the G20. In India, 20% reported receiving government payments in the preceding year, compared to 46% in the G20 and 15% in SAARC nations. G20 countries have a one percentage

point gender difference. According to the Table 4, females received the greatest proportion when compared to males. Those with lower levels of education were more likely than individuals with higher levels of education to get government assistance in G20 nations. There were a few outliers. Argentina, Canada, France, Russia, and the United States had the largest proportion of highly educated individuals earning payments. There was often a single-digit gap between these adults in India and the SAARC nations. Adults with lower incomes and those with higher incomes have income disparities. In India, 23% of people receiving government assistance were poorer than 19% of those who were wealthy. Poorer people were more likely than wealthier adults to get government aid. Government payments to G20 nations were the greatest, followed by payments to SAARC countries and finally to India. Paired comparisons indicate no significant difference in receiving Government Payments across gender, education, and income.

Table 4 shows the proportion of respondents who reported personally saving or setting aside any money for any reason and using any form of saving in the preceding year. The G20 was consistently on top, followed by SAARC and India. India received a comparatively modest share of savings in the previous year. Only 24% of Indians saved money, compared to 64% in G20 countries and 25% in SAARC countries. There was a one percentage point gender discrepancy in India and SAARC. In contrast, gender disparities in G20 countries such as Argentina, Brazil, and Italy reached double digits. These nations also experienced an education

**Table 3. Receiving government payments (Figures in percentages)**

| Country | Received govt. payments | Received govt. payments, female | Received govt. payments, male | Received govt. payments, primary education or less | Received govt. payments, secondary education or more | Received govt. payments, income, poorest 40% | Received govt. payments, income, richest 60% |
|---|---|---|---|---|---|---|---|
| India | 20 | 22 | 19 | 21 | 19 | 23 | 19 |
| Argentina | 28 | 31 | 26 | 25 | 30 | 28 | 29 |
| Australia | 62 | 69 | 55 | 88 | 61 | 73 | 55 |
| Brazil | 38 | 43 | 33 | 48 | 35 | 51 | 30 |
| Canada | 60 | 63 | 57 | 49 | 60 | 64 | 58 |
| China | 15 | 14 | 16 | 16 | 14 | 18 | 13 |
| France | 40 | 42 | 39 | 33 | 42 | 38 | 42 |
| Germany | 45 | 46 | 44 | 60 | 44 | 45 | 46 |
| Indonesia | 29 | 31 | 28 | 29 | 30 | 34 | 26 |
| Italy | 40 | 42 | 37 | 43 | 38 | 38 | 41 |
| Japan | 60 | 61 | 59 | 75 | 58 | 64 | 58 |
| Korea | 85 | 87 | 84 | 87 | 85 | 88 | 84 |
| Russia | 57 | 67 | 44 | 43 | 58 | 56 | 58 |
| Saudi Arabia | 31 | 31 | 31 | 37 | 31 | 26 | 34 |
| South Africa | 42 | 46 | 37 | 58 | 37 | 43 | 41 |
| Turkey | 32 | 28 | 37 | 36 | 30 | 28 | 35 |
| U. K | 61 | 61 | 60 | 68 | 60 | 62 | 60 |
| U. S | 50 | 49 | 50 | 22 | 51 | 51 | 49 |
| Afghanistan | 10 | 4 | 16 | 7 | 20 | 8 | 11 |
| Bangladesh | 12 | 9 | 15 | 14 | 11 | 14 | 11 |
| Nepal | 18 | 17 | 18 | 19 | 12 | 18 | 17 |
| Pakistan | 8 | 6 | 9 | 6 | 11 | 8 | 8 |
| Sri Lanka | 25 | 24 | 27 | 19 | 27 | 25 | 25 |
| Paired Comparison Mean Difference (p-value) | | -2.26 (0.157) | | -1.69 (0.531) | | -2.30 (0.117) | |

**Mean Difference is Mean of First Category-Mean of Second Category*

**Table 4. Savings by citizens in the past year (Figures in percentages)**

| Country | Saved any money | Saved any money, female | Saved any money, male | Saved any money, primary education or less | Saved any money, secondary education or more | Saved any money, income, poorest 40% | Saved any money, income, richest 60% |
|---|---|---|---|---|---|---|---|
| India | 24 | 22 | 25 | 19 | 33 | 15 | 29 |
| Argentina | 39 | 27 | 50 | 22 | 48 | 25 | 48 |
| Australia | 83 | 84 | 82 | 50 | 84 | 73 | 89 |
| Brazil | 46 | 38 | 54 | 35 | 51 | 40 | 51 |
| Canada | 78 | 76 | 80 | 58 | 79 | 70 | 84 |
| China | 61 | 62 | 60 | 52 | 74 | 48 | 69 |
| France | 73 | 73 | 73 | 67 | 74 | 68 | 76 |
| Germany | 86 | 86 | 86 | 82 | 86 | 87 | 85 |
| Indonesia | 49 | 52 | 46 | 30 | 66 | 40 | 55 |
| Italy | 73 | 68 | 77 | 68 | 76 | 68 | 76 |
| Japan | 82 | 81 | 83 | 64 | 85 | 74 | 87 |
| Korea | 70 | 71 | 69 | 44 | 75 | 52 | 82 |
| Russian | 37 | 34 | 42 | 27 | 38 | 24 | 46 |
| Saudi Arabia | 63 | 62 | 64 | 21 | 65 | 54 | 69 |
| South Africa | 62 | 64 | 61 | 62 | 63 | 52 | 69 |
| Turkey | 20 | 17 | 24 | 10 | 27 | 8 | 28 |
| U. K | 82 | 83 | 81 | 77 | 83 | 82 | 82 |
| U. S | 79 | 76 | 81 | 60 | 79 | 62 | 90 |
| Afghanistan | 6 | 4 | 8 | 4 | 10 | 3 | 7 |
| Bangladesh | 23 | 21 | 26 | 20 | 25 | 18 | 27 |
| Nepal | 35 | 35 | 34 | 32 | 43 | 26 | 40 |
| Pakistan | 14 | 13 | 14 | 11 | 21 | 10 | 16 |
| Sri Lanka | 46 | 43 | 49 | 32 | 50 | 40 | 50 |
| Paired Comparison Mean Difference (p-value) | | **3.34 (0.021)** | | **16.86 (<0.0001)** | | **13.73 (<0.0001)** | |

**Mean Difference is Mean of First Category-Mean of Second Category*

disadvantage. those with greater degrees of education saved more than those with lower levels of education. individuals with a higher education saved 33% more money in India than individuals with a lower education, who saved just 19%. There was a double-digit difference between these adults in G20 and SAARC nations. Based on wealth, rich persons were more likely to save money than poor adults. Adults who saved money in India made up 29% of the rich and 15% of the poor. As a result, there was a 14-percentage-point difference. Germany (87%) and the United Kingdom (82%), were the G20 countries with the highest percentage of this. There was a double-digit difference between these adults and those in India. Paired comparisons across various categories indicate a significant difference in terms of savings on the basis of gender, education, and income.

## 5. CONCLUSION

Financial inclusion is often characterized as enabling equitable and transparent access to formal financial services at a reasonable cost. It brings rural residents who previously had no financial access into the mainstream banking system. Furthermore, financial inclusion is an essential requirement for an economy's long-term and fair growth (Chakravarty & Pal, 2013). The financial inclusion status of India, the G20, and the SAARC countries has been examined using four dimensions. In terms of account ownership, G20 countries came out on top, followed by SAARC countries and India. There were essentially no differences in account ownership between those with greater and lower levels of education in India. There was a large variation in account ownership among G20 countries depending on income and education. Overall, India received relatively little funding.

The majority of the borrowings were made by inhabitants of G20 countries. In comparison to G20 countries, SAARC alliance members got a very tiny amount of government contributions. India, on the other hand, ranked second. India ranked worst in terms of savings. Indians save a very small amount of their income. The citizens of the G20 countries, on the other hand, had significant savings. When comparing the FI status of SAARC nations, Afghanistan always ranks worst, followed by India, Bangladesh, Sri Lanka, and Pakistan. Financial inclusion has a lot of space for progress in all of these nations since it promotes economic mobility, trade, commerce, e-business, and conventional entrepreneurship. More study, however, is required to develop policy directives that address all of these issues not just at the national level, but also at the regional level.

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## COMPETING INTERESTS

Authors have declared that no competing interests exist.

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