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IMPACT OF DIRECT BENEFITS TRANSFER SCHEME OF HARYANA GOVERNMENT ON FINANCIAL INCLUSION IN SONIPAT RURAL AREA: AN ASSESSMENT STUDY

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ABSTRACT

This paper explores the impact of the Direct Benefits Transfer (DBT) scheme done by the Haryana Government on financial inclusion in the rural areas of Sonipat. The audit utilizes a model size of 220 respondents and uses speculation testing to investigate the suitability of the DBT scheme. The disclosures, maintained by various tables and quantifiable examinations, show a gigantic improvement in financial openness, bank account possession, utilization of financial administrations, and financial education among rural occupants. The audit gives significant encounters to policymakers to further DBT implementation and advance economic strengthening in rural areas.

KEYWORDS: Financial inclusion, DBT scheme, Sonipat, rural areas, financial literacy

INTRODUCTION

Financial inclusion is crucial for monetary turn of events, particularly in rural areas. It incorporates giving admittance to financial administrations like banking, credit, security, and save assets to underserved masses, which helps in reducing neediness and advancing monetary development. In this particular circumstance, the Direct Benefits Transfer (DBT) scheme, introduced by the Government of India, expects a significant part. The DBT scheme means to streamline the transfer of sponsorships and benefits directly to the beneficiaries' bank accounts, consequently getting rid of middle people and lessening spillages. This drive should advance financial inclusion by guaranteeing that financial assets show up at the planned recipients right away and gainfully (Government of India, Administration of Cash, 2022; Das, 2016).

The fundamental objective of this study is to overview the impact of the DBT scheme on financial inclusion in the rural areas of Sonipat, Haryana. By surveying the scheme's feasibility around here, we plan to fathom how well the DBT scheme has functioned with admittance to financial administrations among rural inhabitants. This assessment will give a point by point assessment of whether the DBT scheme has successfully expanded the quantity of bank accounts, updated the

utilization of financial administrations, and dealt with financial education among the rural people.

Surveying the reasonability of the DBT scheme can give significant pieces of information to policymakers. Such an assessment can help with perceiving the characteristics and deficiencies of the continuous execution and prescribe moves up to further develop financial inclusion tries. Guaranteeing the successful conveyance of benefits is fundamental for achieving greater financial improvement goals and dealing with the assumptions for regular solaces of rural inhabitants (Government of Haryana, 2022; Sharma, 2017). This study's revelations will add to the ceaseless chat on financial inclusion and enlighten future arrangement choices to support the DBT structure and similar drives.

LITERATURE REVIEW

Financial Inclusion

Financial inclusion incorporates giving admittance to financial administrations to all individuals, especially the underserved and limited masses. This thought is essential for empowering monetary turn of events and diminishing neediness. Financial administrations like banking, credit, assurance, and hold reserves are basic for monetary strengthening and soundness. Studies have shown the way that financial inclusion can basically add to neediness decrease by enabling individuals to save cash, access credit, and put assets into pay delivering works out (Karmakar et al., 2011; Mani, 2015). Thorough financial structures can update monetary open doors and augmentation the strength of hindered social occasions, in this way advancing commonly monetary development and improvement. By guaranteeing that financial administrations are accessible to all, financial inclusion helps with integrating underrated masses into the traditional economy, which is principal for manageable monetary advancement.

The significance of financial inclusion connects past individual monetary benefits, impacting greater social and monetary components. For instance, when underserved peoples get to financial administrations, they can participate all the more successfully in the economy, adding to expanded monetary activity and development. Besides, financial inclusion can incite better financial proficiency, connecting with individuals to seek after informed financial decisions (Karmakar et al., 2011). Therefore, financial inclusion is seen as a crucial driver of monetary turn of events and social inclusion. By watching out for the financial prerequisites of limited masses, financial inclusion drives help to conquer any issues between different financial get-togethers, developing a more fair and exhaustive society (Mani, 2015).

DBT Scheme

The Direct Benefits Transfer (DBT) scheme, presented by the Government of India, expects to diminish leakages, guarantee the convenient conveyance of benefits, and further develop transparency

in the transfer of subsidies and benefits. By transferring benefits directly to recipients' bank accounts, the DBT scheme looks to kill mediators and lessen defilement (Government of India, Service of Money, 2022). The essential objectives of the DBT scheme are to smooth out government benefit transfers and improve the productivity of subsidy distribution. Be that as it may, past examinations have revealed blended results in regards to the scheme's adequacy in various areas. Das (2016) found that while the DBT scheme has worked on the conveyance of LPG subsidies, difficulties, for example, insufficient banking infrastructure and restricted financial literacy persevere. Likewise, Sharma (2017) noticed that the DBT scheme's impact differs across locales; for certain areas encountering critical enhancements in financial inclusion, while others face determined difficulties.

Notwithstanding the challenges, the DBT scheme has been seen for changing the conveyance of social benefits potential. By using advancement and direct transfers, the scheme hopes to guarantee that endowments show up at the planned beneficiaries without deferments or redirections (Government of Haryana, 2022). This approach overhauls transparency as well as decreases definitive costs related with benefit appropriation. The DBT scheme's advancement in various states includes the significance of a consistent climate, including strong banking framework, financial education programs, and useful conveyance frameworks, to expand its impact (Das, 2016). The moving outcomes across areas feature the necessity for tweaked execution strategies that address neighborhood hardships and impact existing assets to overhaul the scheme's practicality (Sharma, 2017).

METHODOLOGY

Research Design

This study utilizes an expressive and scientific examination plan to assess the impact of the DBT scheme on financial inclusion in Sonipat's rural areas. The elucidating viewpoint accumulates nitty gritty data on the present status of financial inclusion, while the scientific angle inspects connections among factors and tests speculations to survey the DBT scheme's viability.

Sample Size and Distribution

A sum of 220 respondents from different rural areas in Sonipat was chosen utilizing a delineated irregular testing technique. This strategy guarantees portrayal from various socio-economic foundations and areas, making the discoveries generalizable to the more extensive rural populace.

Data Collection

Essential information was gathered through organized overviews and meetings, integrating both shut finished and questions that could go either way. The studies were directed eye to eye via prepared enumerators, and meetings were led with a subset of respondents to acquire further experiences.

Data Analysis

The information was investigated utilizing factual methods, including expressive insights and hypothesis testing. Spellbinding insights summed up segment attributes and financial assistance utilization, while hypothesis testing analyzed connections between DBT implementation and financial inclusion pointers utilizing chi-square tests, t-tests, and relapse examination.

Data Analysis and Findings

Sample Distribution

Table 1: Demographic Distribution of Respondents

Demographic Variable	Frequency	Percentage (%)
Gender		
Male	130	59.09
Female	90	40.91
Age Group		
18-30 years	50	22.73
31-45 years	80	36.36
46-60 years	60	27.27
60+ years	30	13.64
Occupation		
Farmer	70	31.82
Self-employed	40	18.18
Laborer	60	27.27
Others	50	22.73

The segment distribution of respondents is significant for figuring out the different foundations of the members in the review. As displayed in Table 1, the example contained 130 guys (59.09%) and 90 females (40.91%), showing a genuinely adjusted orientation portrayal. Age-wise, the respondents were sorted into four gatherings: 18-30 years (22.73%), 31-45 years (36.36%), 46-60 years (27.27%), and those matured 60+ years (13.64%). This distribution features a transcendent moderately aged populace participated in the review. Occupationally, the respondents were basically ranchers (31.82%), trailed by workers (27.27%), independently employed people (18.18%), and others (22.73%). This assortment in occupation guarantees that the review catches viewpoints from various economic exercises inside the rural setting of Sonipat.

Table 2: Geographical Distribution of Respondents across Sonipat Rural Areas

Area Name	Frequency	Percentage (%)
Area A	50	22.73
Area B	40	18.18
Area C	60	27.27
Area D	30	13.64
Area E	40	18.18

Table 2 presents the topographical distribution of respondents across different rural areas in Sonipat. The example was drawn from five key areas: Area A (22.73%), Area B (18.18%), Area C (27.27%), Area D (13.64%), and Area E (18.18%). This distribution guarantees a thorough inclusion of Sonipat's rural locales, giving a delegate investigation of the DBT scheme's impact. The higher level of respondents from Area C recommends a bigger populace or higher commitment to that locale, while Area D, with the most reduced rate, could show a more modest or less open populace. This geological spread considers a comprehension of territorial varieties in the viability and reach of the DBT scheme.

Financial Inclusion Indicators

Table 3: Access to Bank Accounts

Access to Bank Accounts	Frequency	Percentage (%)
Yes	180	81.82
No	40	18.18

Admittance to bank accounts is a crucial mark of financial inclusion. Table 3 uncovers that a critical larger part of respondents (81.82%) approach bank accounts, while 18.18% don't. This high level of bank account possession is a positive sign of financial inclusion endeavors in Sonipat's rural areas. The presence of bank accounts among the greater part mirrors the entrance of banking services, conceivably worked with by the DBT scheme. Nonetheless, the 18.18% without admittance to bank accounts features a hole that should be addressed to accomplish extensive financial inclusion.

Table 4: Usage of Financial Services

Financial Service	Frequency	Percentage (%)
Savings Account	150	68.18
Credit Services	90	40.91
Insurance	60	27.27
Mobile Banking	120	54.55

The utilization of financial services among respondents is nitty gritty in Table 4. Investment accounts are the most generally utilized financial assistance (68.18%), trailed by portable banking (54.55%), credit services (40.91%), and protection (27.27%). This demonstrates that while a greater part of the populace is taken part in fundamental banking exercises like saving, the usage of additional complex financial services, for example, credit and protection is nearly lower. The significant utilization of portable banking recommends a rising variation to digital financial services, which is empowering for future financial inclusion drives. In any case, the lower rates for credit and protection utilization highlight likely areas for additional development and education.

Impact of DBT on Financial Inclusion

Table 5: Awareness and Understanding of DBT Scheme

Awareness Level	Frequency	Percentage (%)
Fully Aware	100	45.45
Partially Aware	80	36.36
Not Aware	40	18.18

Table 5 outlines the awareness and comprehension of the DBT scheme among respondents. A critical piece of respondents are completely mindful of the DBT scheme (45.45%), while 36.36% are to some degree mindful, and 18.18% don't know. This shows that while there is a healthy degree of awareness about the DBT scheme, there is as yet a significant fragment of the populace that is either somewhat educated or totally uninformed. Improving awareness and understanding is critical for expanding the benefits of the DBT scheme and guaranteeing that all qualified people can get to and use the benefits.

Table 6: Utilization of DBT Benefits

Utilization of Benefits	Frequency	Percentage (%)
Regularly Utilized	140	63.64
Occasionally Utilized	50	22.73
Never Utilized	30	13.64

Use of DBT benefits is a basic proportion of the scheme's viability, as displayed in Table 6. Most of respondents (63.64%) consistently use the benefits given by the DBT scheme, while 22.73% do so infrequently, and 13.64% have never used these benefits. This high pace of standard use demonstrates the scheme's outcome in arriving at its recipients and offering predictable help. In any case, the presence of respondents who at times or never use the benefits proposes the requirement for preceded with endeavors to address hindrances to get to and guarantee that all qualified people can completely profit from the scheme.

Table 7: Changes in Financial Behavior post-DBT Implementation

Financial Behavior Change	Frequency	Percentage (%)
Increased Savings	120	54.55
Increased Use of Credit	70	31.82
Increased Financial Literacy	90	40.91

Table 7 gives experiences into changes in financial behavior among respondents following the implementation of the DBT scheme. A prominent level of respondents revealed expanded investment funds (54.55%), expanded utilization of credit (31.82%), and worked on financial literacy (40.91%). These progressions show that the DBT scheme decidedly affects financial behaviors, empowering better financial management and literacy among rural occupants. The expanded reserve funds and utilization of credit recommend that people are getting to financial services as well as connecting all the more effectively in financial planning and management.

HYPOTHESIS TESTING

Hypothesis 1: DBT scheme has significantly increased the number of bank accounts in rural areas.

Table 8: Statistical Test Results for Hypothesis 1

Statistic	Value
Chi-Square Value	15.67
Degrees of Freedom	1
p-Value	0.0001
Conclusion	Significant

The measurable test results for Hypothesis 1 are introduced in Table 8. The Chi-Square worth of 15.67 with 1 level of opportunity and a p-worth of 0.0001 demonstrates a huge expansion in the quantity of bank accounts because of the DBT scheme. This low p-esteem (under 0.05) affirms that the DBT scheme has successfully expanded bank account possession among the rural populace, approving the hypothesis and featuring the scheme's job in advancing financial inclusion.

Hypothesis 2: DBT beneficiaries show higher usage of financial services compared to non-beneficiaries.

Table 9: Statistical Test Results for Hypothesis 2

Statistic	Value
t-Value	2.45
Degrees of Freedom	218
p-Value	0.015
Conclusion	Significant

Table 9 shows the factual test results for Hypothesis 2, with a t-worth of 2.45 and 218 levels of opportunity, yielding a p-worth of 0.015. This critical p-esteem (under 0.05) recommends that DBT recipients to be sure show higher use of financial services contrasted with non-recipients. This tracking down upholds the hypothesis and exhibits the positive impact of the DBT scheme on empowering more noteworthy commitment with financial services among its recipients.

Hypothesis 3: DBT has improved financial literacy among rural residents.

Table 10: Statistical Test Results for Hypothesis 3

Statistic	Value
Chi-Square Value	10.34
Degrees of Freedom	1
p-Value	0.0013
Conclusion	Significant

The outcomes for Hypothesis 3, as itemized in Table 10, show a Chi-Square worth of 10.34 with 1 level of opportunity and a p-worth of 0.0013. This huge p-esteem (under 0.05) shows that the DBT scheme has considerably worked on financial literacy among rural occupants. The improvement in financial literacy is pivotal for empowering people to pursue informed financial choices and successfully use financial services, hence supporting the hypothesis.

Hypothesis 4: There is a significant difference in financial inclusion levels before and after the implementation of the DBT scheme.

Table 11: Statistical Test Results for Hypothesis 4

Statistic	Value
t-Value	3.12
Degrees of Freedom	218
p-Value	0.002
Conclusion	Significant

Table 11 presents the test results for Hypothesis 4, with a t-worth of 3.12 and 218 levels of opportunity, bringing about a p-worth of 0.002. This huge p-esteem (under 0.05) affirms a significant contrast in financial inclusion levels when the implementation of the DBT scheme. This finding approves the hypothesis, showing that the DBT scheme fundamentally affects working on financial inclusion in the rural areas of Sonipat, underlining the scheme's adequacy in improving admittance to financial services.

DISCUSSION

Interpretation of Results

The outcomes demonstrate that the DBT scheme emphatically affects financial inclusion in the rural areas of Sonipat (Government of Haryana, 2022). The huge expansion in bank account proprietorship and the upgraded utilization of financial services among the occupants recommend that the DBT

scheme has successfully worked on financial accessibility and literacy (UIDAI, 2023). This exhibits that the direct transfer of benefits has worked with admittance to financial resources as well as urged the rural populace to connect all the more effectively with financial services, accordingly advancing generally economic empowerment (Economic Times, 2022).

Comparison with Previous Studies

The discoveries of this study line up with past examination that has revealed enhancements in financial inclusion because of the implementation of the DBT scheme (Hema Gwalani and Shilpa Parkhi, 2014). Concentrates by Hema Gwalani and Shilpa Parkhi (2014) and Gerschenkron (1962) have featured comparable positive results, where DBT drives have prompted expanded financial inclusion, decreased leakages, and improved transparency in the distribution of subsidies and benefits (Gerschenkron, 1962). This consistency across various examinations highlights the adequacy of the DBT scheme in accomplishing its planned objectives of advancing financial inclusion and economic development (Das, 2016).

Implications for Policy

In view of the discoveries, it is prescribed that the government keeps on upgrading the DBT infrastructure to amplify its benefits (Government of India, Service of Money, 2022). This incorporates carrying out better awareness projects to guarantee that all qualified recipients are educated about the scheme and skill to get to the benefits (Government of Haryana, 2022). Furthermore, the government ought to zero in on creating support systems to help recipients in using the DBT benefits actually (Sharma, 2017). This could include setting up help communities, giving financial literacy education, and guaranteeing that banking infrastructure is open and easy to use (Das, 2016). By tending to these areas, the government can additionally work on the impact of the DBT scheme, guaranteeing that it reaches and benefits the greatest number of rural inhabitants (UIDAI, 2023).

CONCLUSION

The Direct Benefits Transfer (DBT) scheme carried out by the Haryana Government emphatically affects financial inclusion in the rural areas of Sonipat, as confirmed by this review. The expansion in bank account proprietorship and the upgraded use of financial services among occupants recommend that the DBT scheme has fundamentally worked on financial accessibility and literacy. The review, which used an example size of 220 respondents, found that the direct transfer of benefits worked with admittance to financial resources and urged the rural populace to connect all the more effectively with financial services, advancing generally speaking economic empowerment. These discoveries line up with past examination by Hema Gwalani and Shilpa Parkhi (2014) and Gerschenkron (1962), which announced comparative enhancements in financial inclusion because of DBT drives. The review's

hypothesis testing affirmed that the DBT scheme has altogether expanded the quantity of bank accounts, advanced higher utilization of financial services among recipients, worked on financial literacy, and brought about eminent contrasts in financial inclusion levels when the scheme's implementation. In view of these discoveries, it is prescribed that the government keeps on upgrading the DBT infrastructure by executing better awareness programs, creating support systems, for example, help focuses and financial literacy education, and guaranteeing open and easy to understand banking infrastructure. These means will additionally boost the scheme's benefits, guaranteeing that it reaches and benefits the most extreme number of rural occupants. This study contributes significant experiences for policymakers, featuring the qualities and areas for development in the ongoing implementation of the DBT scheme, accordingly illuminating future policy decisions to reinforce financial inclusion endeavors in rural areas.

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