Impact of Demographic Attributes on Financial Inclusion Among Tribal Population in Jammu and Kashmir (India)

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Abstract

The purpose of this study is to examine how demographic characteristics influencing the degree of financial inclusion among Jammu and Kashmir's tribal community. Demographic characteristics were measured by gender, age, marital status, income, occupation, and education. The primary data have been collected from the top four tribal districts of the Jammu and Kashmir region through a well-structured questionnaire. The logit regression results imply that demographic attributes significantly contributing to financial inclusion. The study has significant implications for regional financial institutions, central government, and local government in Jammu and Kashmir. Financial policy makers for this tribal people should be aware that eliminating financial disparity depends on demographic characteristics. The substantial unbanked population in these tribal areas offers banks a chance to access new markets. To encourage financial inclusion among these groups, financial policies should be developed and it is advised that banks make an effort to reach out to low-income households in tribal areas because doing so is both part of their social responsibility and a potential market for the banks. Despite the fact that the study uses data from four districts in Jammu and Kashmir, the results can also be used for other tribal regions as well.

Keywords: Demographic, tribal, logit, financial inclusion

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Introduction

Over the last two decades, scholars and policymakers have given financial inclusion more consideration as a possible source of economic gains (Barajas, Beck, Belhaj, &Naceur, 2020). According to Aziz and Naima (2021), Demirgüç-Kunt and Singer (2017), and Sahay et al. (2015), financial inclusion is seen as a key tool for achieving the Sustainable Development Goals of the United Nations. The UN 2030 Agenda for Sustainable Development acknowledges the critical role that financial inclusion plays in accomplishing the Sustainable Development Goals (SDGs) and eliminating inequality (SDG10) (Demir et al., 2022). Due to its potential to halt the cycle of poverty and reduce income inequality, financial inclusion has advanced on the global reform agenda and attracted significant attention (Omar & Inaba, 2020).Evidence has also demonstrated that increased financial access may, in the short run, aggravate economic disparities between beneficiaries and non-recipients, hence it is preferable to focus on expanding financial access for everyone rather than just the poor (Honohan, 2008). It advocates for everyone in society to engage in economic activity and utilise financial services in accordance with their requirements and available budgets (M Sarma &Pais, 2008). All people and businesses must have access to a variety of financial goods and services, including transactions, payments, savings, credit, and insurance, in order to satisfy their requirements in an affordable, practical, responsible, and sustainable way and it is known as financial inclusion (Le, Le, &Taghizadeh-Hesary, 2020).Financial inclusion improves individual and household welfare through an increase in entrepreneurial propensities, women's empowerment, investment in education, and risk management. It also increases individuals' ownership of transactions and savings accounts, payment facilities, access to credit, and receipt of remittances (Koomson, Villano, & Hadley, 2020). Financial inclusion refers to all programmes that help low-income individuals have access to and afford formal financial services (Omar & Inaba, 2020). By bridging these gaps and giving households and businesses better access to the resources required to fund consumption and investment, financial inclusion contributes to increasing economic activity (Omar & Inaba, 2020). If there are any obstacles or restrictions that hinder users from properly utilising their accounts, such as the distance between bank branches, the cost of transactions, or psychological obstacles (Diniz, Birochi, &Pozzebon, 2012; Kempson, Atkinson, &Pilley, 2004). Increasing access to the poor remains a significant problem for financial institutions since they have been ignored by formal financial institutions (Wang & Fu, 2022).

According to estimates from the World Bank, approximately 1.7 billion people lack access to financial services (Demirguç-Kunt, Klapper, Singer, Ansar, & Hess, 2017). In contrast, more than two-thirds of the adult population has access to these services. These are often poor demographic segments, vulnerable groups including rural residents, women, and families with low incomes who greatly benefit from fundamental financial services like saving, borrowing, payment, and insurance (World Bank 2014). Poverty reduction and social cohesion depend on poor and vulnerable groups of the economy having access to financial services (Sahoo, Pradhan, & Sahu, 2017). Financial inclusion has a greater impact on rural than urban regions in reducing poverty and poverty vulnerability (Koomson et al., 2020). By lowering poverty, financial inclusion is a crucial phenomenon for achieving socioeconomic growth at the individual level (Niaz, 2022). The objectives of financial inclusion are to ensure that vulnerable communities, such as low-income groups, have access to financial services and are financially included (Tay, Tai, & Tan, 2022).

Giving underprivileged people access to financial services is one way to empower them (Sahoo et al., 2017). The most marginalised or indigenous populations globally are tribal peoples (Busch et al., 2022). Despite the fact that India has one of the world's biggest populations of indigenous people (10.2 crore) (Negi & Singh, 2019), which make up 8.6% of India's population (census, 2011). One of the most socioeconomically impoverished segments of society are tribal communities (Negi & Singh, 2019). One of India's most vulnerable tribal groups is the Scheduled Tribes (Xaxa, 2014). More than 60% of people in the country live in poverty (Jha, Mishra, Sinha, Alatalo, & Pandey, 2017). They have not benefited from this economic expansion (Nandru&Rentala, 2020). Due to their lack of participation in national socioeconomic activities, tribal people often experience difficulties such as low literacy rates, limited access to public facilities, and geographical isolation (Kumar, Pathak, &Ruikar, 2020). The idea of financial inclusion has long been popular in India with the aim of reaching out to the unbanked people, bringing banking services to all members of society, and eliminating economic and social inequities (Nandru&Rentala, 2020). Numerous regions with sizable indigenous populations have poor infrastructure (Vyas et al., 2019).

Financial inclusion is the process of ensuring that everyone, especially the poor, has access to basic financial services in the established financial sector (Allen et al., 2016; Ozili, 2018). Financial inclusion may improve the overall economic well-being and quality of life of indigenous people. Financial growth is one of the factors affecting social inequality, specifically the disparity of financial inclusion of individuals. Increasing financial inclusion

might help reduce poverty to the desired level (Chibba, 2009; Neaime & Gaysset, 2018). For instance, research suggests that financial inclusion can be a tool for achieving financial development, economic growth, the reduction of income inequality, and the emancipation of people from poverty (Beck, Demirgüç-Kunt, &Honohan, 2009; Chibba, 2009; Demirguc-Kunt, Klapper, Singer, & Ansar, 2018; Demirgüç-Kunt& Klapper, 2012).

A population's level of financial inclusion is significantly influenced by demographic characteristics. Financial inclusion was determined by gender, education, age, income, place of residence, work status, and marital status, according to the majority of researchers (Bhanot, Bapat, & Bera, 2012; Dar & Ahmed, 2021; Soumare, TchanaTchana, &Kengne, 2016; Tuesta, Sorensen, Haring, & Camara, 2015). Age, gender, marital status, degree of education, and religion are demographic variables that affect financial inclusion (Llanto&Rosellon, 2017). According to studies by Demirgüç-Kunt and Klapper (2012), Demirgüç-Kunt, Klapper, and Singer (2013), Efobi, Beecroft, and Osabuohien (2014), Fungáová& Weill (2015), Graham Saunders, Bendixen, and Abratt (2007), and Sinclair (2013), demographic factors like income, employment, and education are significantly associated with owning a bank account.The effects of financial inclusion on various demographic groups have received little attention. While there is some evidence that demographic variables like age, gender, and educational attainment have an impact on financial behaviour, there are few research that go in-depth on these relationships. For the purpose of developing efficient financial education and literacy programmes as well as promoting financial inclusion across all facets of the population, it is essential to comprehend how demographic characteristics influence financial behaviour. Attempts to develop tailored policies and initiatives to encourage financial inclusion among these populations are hampered by this vacuum in the research. Financial inclusion holds enormous potential for bringing the excluded people into the formal financial sector so they may have access to formal financial goods and services. Financial inclusion has been a prominent policy priority for the government of many developing and developing nations (Allen, Demirguc-Kunt, Klapper, & Peria, 2016). Therefore, the purpose of this study is to examine how demographic characteristics play a key role in influencing the degree of financial inclusion among Jammu and Kashmir's tribal community.

Methodology

Survey instruments

A thorough review of the literature on the demographic traits led to the creation of the questionnaire (Bhat & Mishra, 2020; Célerier & Matray, 2019; Chattopadhyay, 2011; Cheronoh, 2019; Divya, 2013; Johnson & Arnold, 2012; Joseph, 2014; Kuri & Laha, 2011; Mindra & Moya, 2017; Moder & Bonifai, 2017; Murari & Didwania, 2010; Nandru, Anand, & Rentala, 2015; Ouma, Odongo, & Were, 2017; Park & Mercado, 2015; Ramakrishna & Trivedi, 2018; Mandira Sarma & Pais, 2011; Tuesta et al., 2015) and financial inequality (Allen et al., 2016; Bhanot et al., 2012; Demirgüç-Kunt & Klapper, 2012; Demirgüç-Kunt et al., 2013; Fowowe & Folarin, 2019; Fungácová & Weill, 2014; Leeladhar, 2005; Ozili, 2018). Gender, age, marital status, education, income, and employment were the demographic parameters that were questioned. Gender was divided into two categories: "female" and "male." Five age ranges were taken into consideration: "18 to 24 years," "25 to 34 years," "35 to 44 years," "45 to 54 years," and "55 and above years." There were two options for marital status: "married" and "unmarried." The kind of profession was classified into four categories: "government employed," "self-employed," "student," and "unemployed." There are four levels of education that people prefer: "no schooling," "less than high school," "high school," and "college." The monthly income was calculated in Indian Rupees and was divided into five categories: "less than 5,000," "5,000 to 10,000," "100,000 to 15,000.," "15,000.," and "20,000 and above." STATA was used to code the whole set of replies for estimate. The gender codes for males and females were '1' and '0,' respectively. The age groupings were classified from "1-5", youngest to oldest. Married people were labelled as "1," whereas unmarried were marked as "0." From government employment to unemployment, four occupational groups were classified from "1-4". Levels of income were also coded from "1 to 5" while levels of education were coded from "1 to 4," ranging from no formal education to a college degree. Financial inequality was the dependent variable, and the items were quantified between 0 and 1, 0 indicates "No," and 1 means "Yes".

Sampling and Survey Method

Tribal residents of four selected districts in Jammu and Kashmir—Anantnag, Bandipora in the Kashmir division, Poonch, and Rajouri in the Jammu division—have selected for collecting primary data. Two districts from each of Jammu and Kashmir's two divisions have been chosen based on the concentration of the tribal people (census, 2011). A well-structured

questionnaire was utilised to gather responses from the tribal people using the covenient sampling technique. From the formula, Krejice and Morgan (1970) determined that 347 households from each of the four districts' total of 600296 households provide the required sample. The respondents provided us with 416 valid responses. As a result, the sample size for this research is higher than that of Krejcie and Morgan's (1970) technique since bigger samples are often more accurate at predicting unknown parameters. 80 respondents from Anantnag, 55 from Bandipora, 150 from Rajouri, and 112 from Poonch provided full responses; one adult household member (age 18 or older) was interviewed in each case.

Estimated models

Financial inequality which is our dependent variable, was examined through three dimensions of financial inclusion that are ownership, savings, and borrowings; for three dimensions, we measured ownership of an account; savings at a financial institution, and borrowings from a financial institution, respectively (Fowowe & Folarin, 2019). The binary or dichotomous dependent variables are denoted by 0 or 1. Due to its widespread usage in estimating the choice model, the logit model was used for this investigation (Sanderson, Mutandwa, & Le Roux, 2018). The linear probability model, logit model, and probit model may all be used to explore the factors that determine financial inclusion since the dependent variable is binary (Ai & Norton, 2003; Caudill, 1988). When a case has qualitative dependent variables, the linear probability model expands the scope of the linear regression model. Given that probability should be between zero and one, the linear probability model's value exceeding or falling below one is an unrealistic possibility. Its error term, or variance, is thus not constant (Collins & Green, 1982). The adoption of the linear probability model was avoided because of the aforementioned flaws. The probit model or the logit model was an alternative. However, the logit model was used by the researcher because of its benefits over the probit model (Mhlanga, 2020). Compared to the probity model, the Logit model is easier to calculate and explain (Maddala, Li, & Srivastava, 2001; Mhlanga, 2020; Rao, Rao, Statistiker, Rao, & Rao, 1973). The logit model is preferable to the probit model as we are working with survey data (Potrich, Vieira, &Kirch, 2015; Sanderson et al., 2018).

For a dichotomous variable Y, which is scored as 1 and 0, the logit function (L_i) is given by the following equation:

$$L_i = 1n\left(\frac{P_i}{1-P_i}\right) - \alpha + \sum_{j=1}^{j=p} \beta_j X_j + \varepsilon_i$$

where "odds ratio" refers to the proportion of the chance that the event takes place to the proportion of the probability that it does not take place. In the form of an equation, the Odds Ratio is represented as follows:

$$\frac{Pi}{1-Pi} = e^{\alpha + \sum_{j=1}^{\mathcal{P}} \beta_j X_j, i=1,2,\ldots,nj=1,3,\ldots,\mathcal{P}}$$

Where n = number of observations and $\mathcal{P}$ = total number of explanatory variables. The probability of an event happening($Y = 1$) is given by the following expression

$$P(Y = 1|X_1, \ldots . X\mathcal{P}) = \frac{1}{1 + e^{-\alpha - \sum_{j=1}^{\mathcal{P}} \beta_j X_j}}$$

The phase of the modelling process that is most important is the one in which the explanatory variables that are going to be included in the model are chosen. At this stage, having a solid grasp on the concept of interaction is absolutely necessary.Interaction effect occurs when the effect of explanatory variable (X_j) on response variable (Y) differs with the value of another explanatory variable X_k (commonly called the moderator variable (Barron & Kenny, 1986). The conditional relationships between two or more variables may be expressed using regression models by means of interaction terms (Brambor et al., 2006). Conditional hypothesis, as opposed to just assessing whether or not there is a relationship between X and Y, aims to understand the conditions and manner of that relationship, correctly portraying social reality in the process.

Results and Discussion

Data Normality

Two statistical variables, skewness and kurtosis, are assessed to look at the maximum deviation from normality (Hair et al., 2011). The accepted value for skewness and kurtosis is "<±3" (Bhat & Mishra, 2021). For all nine variables in our analysis, skewness, and kurtosis fall within the range of '<±3' (Table 1).

Table 1: Data normality

Attributes	Skewness	Kurtosis
Gender	-0.89	-1.22
Age	0.08	-1.19
Marital Status	-1.22	-0.52
Income	0.41	-0.78
Occupation	0.15	-0.97
Education	0.86	0.34
Ownership	-1.12	-0.76
Savings	-0.52	-1.74
Borrowings	0.10	-2.00

Profile of respondents

The demographic details of the residents who participated in our survey are shown in Table 2. For sample representative results, the statistically significant findings are displayed in Table 2, which shows the uneven distribution of gender characteristics among the 416 respondents (29.8% female; 70.2% male). Most respondents (25.5%) fell into the 45–54 age range. Regarding marital status, married respondents outnumbered single respondents by a significant margin (24% unmarried; 76% married). 36.1% of those polled make between 5000 and 1000 Indian rupees monthly. Regarding occupation, 34.4% of the sample unit is classified as self-employed, followed by 29.8% of respondents who are students and 13.5% who are unemployed. 60% of the sample units only have a high school education. 74.3% of respondents were found to be bank account owners in financial institutions, while 25.7% did not have or own bank accounts. 62.5% of respondents save money in official financial institutions, whereas 37.5% do not. 52.4% of the sample's respondents did not borrow money from formal financial institutions, compared to 47.6% of the respondents who did.

Table 2: Descriptive statistics

Attributes	Frequency	Percent
Gender		
Female	124	29.8
Male	292	70.2
Age		
18-24	82	19.7
25-34	103	24.8
35-44	79	19
45-54	106	25.5
55 or older years	46	11.1
Marital Status		
Unmarried	100	24
Married	316	76
Income		
Less than 5000	92	22.1
5000-9000	150	36.1

10000-14000	84	20.2
15000-20000	76	18.3
More than 20000	14	3.4
Occupation		
Govt employed	93	22.4
Self-employed	143	34.4
Student	124	29.8
Unemployed	56	13.5
Education		
No schooling	77	18.5
Less than high school	251	60.3
High school	39	9.4
Collage	49	11.8
Ownership		
Yes	107	25.7
No	309	74.3
Savings		
Yes	156	37.5
No	260	62.5
Borrowings		
Yes	218	52.4
No	198	47.6

Correlations between financial inclusion and demographic attributes of respondents

The pairwise correlation matrix presented in Table 3 shows the degree of correlation among the variables. Positive correlations exist between gender and age, marital status, savings, and borrowing. In contrast, the correlation between gender and income is negative. Age positively correlates with marital status, income, occupation, education, ownership, and savings. Additionally, there is a negative correlation between education and age. The Table 3 also demonstrates a positive correlation between marital status and income, occupation, ownership, and savings. Additionally, it has a negative correlation with borrowing and education. Income favorably corresponds to occupation, ownership, saving, and borrowing but adversely to education. With ownership, the occupation has a positive correlation and correlates negatively with education. Meanwhile, findings indicate a negative association between education and ownership, saving, and borrowing. In comparison, findings demonstrate a positive correlation between ownership with savings and borrowing. Last but not least, savings have a positive correlation with borrowing.

Table 3: Correlations results

	Ownership	Savings	Borrowings
Gender	0.013	.125*	.137**
Age	.170**	.137**	0.069
Marital Status	.428**	.424**	.345**
Income	.254**	.225**	.169**
Occupation	.135**	0.039	-0.08
Education	-.293**	-.270**	-.234**

**. Correlation is significant at the 0.01 level (2-tailed); *. Correlation is significant at the 0.05 level (2-tailed).

Logit model of tribal respondents' demographic attributes and financial inclusion

Logit regression was used since we were aware that the dependent variables are binary. The results of this analysis are shown in Table 4. However, in order to simplify our study, we used Stata 14's margin function to assess the impacts of the marginal variables. We decided to evaluate the margin estimates since, technically speaking, they were less complicated and were more in line with probability theory. In other words, the margins provide the derivative of the chance that a conditioning variable would cause the dependent variable to equal one. This likelihood is derived from the relationship between the two variables. Since there is no change made to any of the other variables, the projected marginal coefficient for each variable reflects the likelihood that the dependent variable will likewise be valid.

Table 4: Logit regression results

	Ownership		Savings		Borrowings	
Variables	**Logit coefficient**	**Margins (dy/dx)**	**Logit coefficient**	**Margins (dy/dx)**	**Logit coefficient**	**Margins (dy/dx)**
Gender	0.535699	0.076232	1.812123***	0.283566***	2.110958***	0.336009***
	(0.367804)	(0.051849)	(0.390716)	(0.056319)	(0.403513)	(0.057465)
Age	-1.41013***	-0.20067***	-1.80748***	-0.28284***	-1.87608***	-0.29862***
	(0.297297)	(0.039121)	(0.299636)	(0.040358)	(0.272511)	(0.034514)
Marital status	3.083869***	0.438845***	3.41428***	0.534276***	3.127592***	0.497831***
	(0.475632)	(0.055435)	(0.49121)	(0.059621)	(0.490091)	(0.063018)
income	1.426652***	0.203018***	1.85711***	0.290606***	1.959477***	0.311897***
	(0.323364)	(0.043007)	(0.322082)	(0.043989)	(0.307638)	(0.040626)
occupation	-0.47944**	-0.06823**	-0.82445***	-0.12901***	-1.18194***	-0.18813***
	(0.191404)	(0.026663)	(0.183152)	(0.026077)	(0.192445)	(0.02525)

education	-0.24528	-0.0349	-0.35731	-0.05591	-0.63204***	-0.1006***
	(0.219765)	(0.031131)	(0.228857)	(0.035425)	(0.241693)	(0.037434)
Wald χ^2 (6)	111.6526***		93.08071***		102.5693***	
Pseudo R^2	0.2263		9.2793		0.2992	

Note(s): Robust standard errors in parentheses;***p < 0.01, **p < 0.05, *p < 0.1

Our findings, which are summarised in Table 4, indicate that the gender of respondents has a favourable impact, although one that is negligible. That is to say, gender is not a statistically significant driver of financial inclusion when it comes to ownership of a bank account in financial institutions. While the gender gap in terms of savings and borrowing from financial institutions is a positive and substantial driver of financial inclusion, it is also a barrier to financial inclusion. Males had a 28 percent and 33 percent chance, respectively, of saving money and borrowing money from a financial institution. Gender disparities matter in financial choices. Therefore, we took gender into consideration, and we came to the conclusion that it is not a statistically significant driver of financial inclusion when it comes to ownership of a bank account in financial institutions. In so far as gender in terms of savings and borrowing from financial institutions is both a positive and a key driver of financial inclusion, it is important to note. This results in a parameter estimate of around 0.28 and corresponding estimates of 0.33 for savings and borrowings, which indicates that males are approximately 28 percent more likely than females to hold savings in formal financial institutions. In contrast, males are 33 percent more likely than females to have borrowed money from formal financial organisations. This difference is due to the fact that males are more prone to take out loans.

According to Table 4, the findings imply that older respondents are less likely to be connected to financial inclusion than those in lower age groupings. This is the case when compared to all respondents. The likelihood of home ownership, savings, and borrowings will all drop by 20 percentage points, 28 percentage points, and 30 percentage points, respectively, for each additional year of age, assuming all other factors remain constant. It has been discovered that this negative coefficient is statistically significant, but only little so. The first thing that emerges from an analysis of our data is that the age of respondents has a negative impact on their ownership, savings, and borrowing behaviours within formal financial institutions. In terms of respondents' ownership of bank accounts, savings, and borrowings from formal financial institutions, the findings are in line with the theoretical expectations that were formulated prior to conducting the research. According to Table 4, the

findings indicate that respondents in older age brackets are less likely to have ownership of a bank account, savings, or borrowings from formal financial institutions than respondents in younger age brackets. This is the case for all three measures. That is, older respondents are less likely to own a bank account at a formal, financial institution (that is, 20% of older respondents are less likely to have bank account ownership), and older respondents are also less likely to have savings at a formal, financial institution (that is, 28%). In a similar vein, 33% of respondents who are older are less inclined to borrow from official financial organisations.

It has also been shown that marital status and income are favourable and important factors. That is, factors such as marital status and income have a significant role in determining financial inclusion. After marriage, there is a 43 percent increase in the likelihood of having ownership, a 53 percent increase in the likelihood of saving, and a 49 percent increase in the likelihood of borrowing money. There was a significant and positive correlation between marital status and property ownership, the amount saved, and the amount borrowed from regulated financial institutions. For example, respondents who are married are more likely to have a bank account at a well-known financial institution (43 percent), compared to respondents who are single (27 percent). However, respondents who are married, which makes up 53% of the sample, are more likely to have savings with recognised financial institutions. In a related vein, our research has shown that married respondents had a 49% increased likelihood of having taken out a loan from a conventional bank or other kind of formal financial organisation.

The results further state that the higher the household's monthly income, the higher the probability of the household being financially included. The relationship between income and ownership, saving, and borrowing from regulated financial institutions is also favorable. The finding backs up a study by Kombo (2021), who emphasized a favorable relationship between income and bank account ownership in a formal financial institution. The findings indicate that a one-unit increase in income improves the probability of owning a bank account by 20% in a formal financial institution, the probability of saving with a formal financial institution by 29%, and the probability of borrowing from a financial institution by 21%.

Occupation is negatively related to ownership, savings, and borrowings, indicators of financial inclusion or financial inequality. The results suggest that the unemployed are less likely to have ownership, savings, and borrowings from financial institutions. In other words, 68% of respondents who are unemployed are less likely to own a bank account in a formal

financial institution, and 12% of respondents who are unemployed are less likely to have funds in a formal financial institution. According to this, 18% of respondents who are unemployed are less likely to borrow money from established financial organizations.

Similarly, education has negative relations with financial instruments. The educated respondents are less likely to have inclined toward borrowing from financial inclusion. With a marginal impact parameter estimate of roughly 0.1006, it appears that respondents with higher levels of education are 10% more likely to borrow money from a financial institution. In other words, if the proportion of educated respondents rises by one, there is a 10% chance that people will borrow money from financial institutions.

Conclusion and implications

This study's objective is to explore the significance of demographic factors that are significant in influencing the degree of financial inclusion of the tribal community in the Jammu and Kashmir. For this research, the top four tribal districts in the Jammu and Kashmir were taken into account. A structured questionnaire was used for convenient sampling on selected samples.The findings imply that respondents in older age groups are less likely than respondents in younger age groups to connect to financial inclusion. The factors that most influence financial inclusion are marital status and income. The findings also show that the likelihood of a family being financially involved increases with household income. According to the findings, there is little evidence that jobless people take out loans from financial institutions. The review of literature indicates that demographic characteristics have a significant role in determining financial behaviour. Our research supports these conclusions. The aim of the current research was to fill a knowledge gap on the demographic characteristics that influence the financial behaviour of the tribal community in Jammu and Kashmir. An effort has been made to determine the influence of demographic characteristics in influencing financial behaviour based on the study's results.

The results of this study are useful in understanding how different demographic factors affect tribal people in Jammu and Kashmir's access to banking services. The study has significant ramifications for regional financial institutions, central government, and local government in Jammu and Kashmir. It is advised that banks make an effort to reach out to low-income households in tribal areas because doing so is both part of their social responsibility and a potential market for the banks. Financial policy makers for this tribal people should be aware that eliminating financial disparity depends on demographic characteristics. To encourage financial inclusion among these groups, financial policies should be developed. The

substantial unbanked population in these tribal areas offers banks a chance to access new markets. Despite the fact that the study uses data from four districts in Jammu and Kashmir, the results can also be used for other tribal regions as well.

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