

Financial Inclusion and its Impact on Banking Performance: A Study with Special Reference to Ranchi City

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Abstract: *This study investigates the dynamics of financial inclusion and banking performance in Ranchi City through a comprehensive survey and data analysis. Utilizing factor analysis, four key components have been identified: "Financial Inclusion and Satisfaction with Services," highlighting the importance of accessible, efficient, and affordable banking services; "Accessibility and Technology Usage," emphasizing the role of mobile banking apps, fees, and geographical access; "Documentation and Literacy," revealing challenges related to documentation requirements and limited financial literacy; and "Savings and Consultation," underscoring the significance of saving behavior, financial advice-seeking, and prompt customer service. These results provide policymakers and financial institutions with significant insights that can be used to build targeted policies that increase financial inclusion and banking services in Ranchi City, which would eventually encourage economic empowerment and well-being in the area.*

Keywords: Financial Inclusion; Banking Performance; Ranchi City; Factor Analysis; Accessibility

I. INTRODUCTION

The concept of financial inclusion has become more important in the current financial and economic environment, significantly altering the way banking and economic development are conducted. The global financial crisis of 2008 is directly responsible for this shift. Having access to banking, insurance, and credit facilities is crucial not only for personal convenience but also for economic growth, poverty reduction, and the emancipation of marginalized communities. An in-depth investigation of the complex link that exists between financial inclusion and banking performance is presented here against the captivating background of Ranchi City, which is located in the center of the Indian state of Jharkhand. The relevance of our research effort is brought into focus in this section's introduction, which lays the groundwork for our more in-depth investigation.

Financial inclusion, which is often defined as the accessibility and affordability of financial services to all segments of society, has transcended its position as a term and emerged as a worldwide policy priority. This is because financial inclusion is often described as the accessibility and affordability of financial services to all segments of society. It is an attempt to close the gaps that, historically, have prevented substantial portions of the people from participating in the regulated financial industry. These gaps, which have their origins in socioeconomic inequalities, have not only caused obstacles to the financial well-being of people but also presented difficulties to the expansion and consistency of the banking business. As a result of this, it is of the utmost significance for policymakers, financial institutions, and scholars alike to have an understanding of how the availability of financial services affects the performance of banks.

Ranchi City, the capital of the state of Jharkhand, represents an intriguing microcosm of India's financial landscape. Its diverse demographic composition, ranging from urban centers to rural outskirts, provides a rich tapestry for examining the multifaceted interplay between financial inclusion and banking performance. Moreover, Ranchi City's strategic location in eastern India positions it at the nexus of economic development initiatives, making it a unique case study. By directing our research lens towards this city, we aim to provide insights that can inform not only local policy decisions but also contribute to the broader discourse on financial inclusion's impact on banking in diverse socio-economic contexts.

This study embarks on a comprehensive exploration of financial inclusion and its ripple effects on banking performance within Ranchi City. Through a rigorous examination of data, including surveys and interviews conducted among local residents, as well as an in-depth analysis of banking indicators, we intend to shed light on the nuances of this relationship. By doing so, we aspire to offer evidence-based insights that can guide the formulation of policies and strategies geared towards enhancing both financial inclusion and banking performance in Ranchi City and beyond.

The rest of this research article will consist of a critical discussion of the implications of our results, followed by a detailed assessment of the relevant literature. Our ultimate objective is to add to the growing body of knowledge on financial inclusion and its intricate ties to the performance of the banking sector, thereby helping to create a more diverse and stable financial ecosystem in Ranchi City and providing useful lessons for other areas of the world facing similar challenges.

II. LITERATURE REVIEW

Financial Inclusion: A Multidimensional Perspective

The concept of financial inclusion has evolved over the years, expanding from a narrow focus on access to bank accounts to encompass a more comprehensive understanding of financial services accessibility. It encompasses not only the availability of banking services but also their affordability, suitability, and relevance to diverse customer segments (Demirguc-Kunt & Klapper, 2012). This multidimensional perspective recognizes that financial inclusion extends beyond mere account ownership and encompasses access to credit, insurance, and other essential financial services. Achieving this holistic financial inclusion is seen as a critical enabler of economic development, poverty reduction, and social inclusion (Beck et al., 2007).

Financial inclusion is not solely a developing world concern. Even in developed economies, segments of the population may remain financially excluded due to various socio-economic factors. These exclusions can impede financial institutions' ability to harness the full potential of their markets and can lead to suboptimal banking performance (Morse & Shive, 2011). Hence, it is crucial to understand the dynamics of financial inclusion and its impact on the banking sector in both developed and developing contexts.

Financial Inclusion and Banking Performance: A Complex Relationship

The relationship between financial inclusion and banking performance is multifaceted. On one hand, enhanced financial inclusion can stimulate banking performance by expanding the customer base, increasing deposit mobilization, and creating opportunities for credit expansion (Allen et al., 2013). Inclusive financial systems can lead to greater financial stability and economic growth (Beck et al., 2007). On the other hand, increasing financial inclusion can pose challenges for banks, particularly in terms of managing risks associated with serving previously excluded customer segments (Demirguc-Kunt & Klapper, 2012). This duality implies that the relationship between financial inclusion and banking performance is contingent on various contextual factors.

Empirical studies have produced mixed findings regarding this relationship. For example, Honohan and Beck (2007) found that greater financial inclusion, measured by an increase in the number of accounts per capita, was positively associated with banking sector depth in a cross-country analysis. However, they also observed that the relationship was nonlinear, suggesting that the benefits of financial inclusion might diminish beyond a certain point. This nonlinear relationship underscores the importance of examining the nuances of the relationship within specific geographic and socio-economic contexts, such as Ranchi City.

Ranchi City: A Unique Context for Exploration

Ranchi City, as the capital of Jharkhand, provides a captivating setting for studying the interplay between financial inclusion and banking performance. In India, a country with a burgeoning banking sector and a significant push for financial inclusion through initiatives like the Pradhan Mantri Jan Dhan Yojana (PMJDY), the impact of inclusion efforts on banking performance can be observed acutely (Burgess & Pande, 2005; Pradhan et al., 2017). Moreover, the city's diverse population, encompassing urban and rural areas, offers a microcosm of the complexities associated with financial inclusion challenges in emerging economies.

As we delve into this study, we aim to build upon existing literature by conducting empirical research in Ranchi City, examining the specific dynamics that underlie the relationship between financial inclusion and banking performance within this unique context. Through a comprehensive analysis of data collected from local residents and an examination

of banking indicators, we endeavor to contribute nuanced insights that can guide local and global efforts to enhance financial inclusion and, consequently, banking performance.

III. RESEARCH METHODOLOGY

Step-1) Questionnaire Development and Data Collection Using Google Forms

To investigate the relationship between financial inclusion and banking performance in Ranchi City, a well-structured questionnaire is essential. Begin by defining the key constructs and variables that will be measured in this study. These include aspects such as access to banking services, utilization of financial products, customer satisfaction, and perceptions of financial inclusion. Once the constructs are identified, generate a pool of potential questionnaire items that effectively measure each of these constructs.

To ensure the questionnaire's quality and relevance, it's vital to seek input from experts in the field. The expert review process involves having academics or professionals in the banking and financial inclusion domain evaluate the questionnaire items for clarity, comprehensibility, and alignment with the research objectives.

Pilot test allows the identification of any issues with question wording, sequencing, or comprehension. Based on the feedback received during this pilot test, make the necessary revisions to finalize the questionnaire.

With the finalized questionnaire in hand, proceed to collect data using Google Forms. Google Forms is an accessible and efficient tool for online survey data collection. Create a Google Form that includes all the questionnaire items, ensuring that the form is user-friendly and intuitive for respondents in Ranchi City to complete.

Before launching the full-scale data collection, consider running a pilot data collection phase to ensure that the online survey works smoothly and to identify any technical issues that may need addressing. Adjust the Google Form as necessary based on feedback from this pilot phase.

There were 131 respondents in questionnaire, and agreement scale was decided to 1 to 5 (Strongly Disagree to Strongly Agree).

Answer following statements on agreement Scale (1-5);

1. The banking services in Ranchi City are easily accessible.
2. I have sufficient knowledge about various financial products and services available in Ranchi City.
3. Financial institutions in Ranchi City offer products that meet my financial needs.
4. I feel financially included and well-served by the banking sector in Ranchi City.
5. Financial institutions in Ranchi City provide affordable financial products and services.
6. The banking services in Ranchi City are efficient and reliable.
7. I have experienced prompt customer service when dealing with banks in Ranchi City.
8. The fees and charges associated with banking services in Ranchi City are reasonable.
9. Banks in Ranchi City are transparent about their terms and conditions.
10. "Overall, I am satisfied with the performance of banks in Ranchi City."
11. "I regularly save a portion of my income or earnings."
12. "I feel confident in my ability to manage my personal finances."
13. I consult with financial professionals or advisors when making significant financial decisions.
14. I actively seek out information about financial planning and investment options.
15. Limited financial literacy is a barrier to accessing banking services in Ranchi City.
16. The distance to the nearest bank or ATM is a hindrance to using banking services.
17. High fees and charges deter me from using certain banking services.
18. "I face difficulties in providing the necessary documentation to open a bank account."
19. Social or cultural factors influence my decisions regarding financial inclusion.
20. I use mobile banking apps to access my bank accounts and conduct transactions.
21. The availability of technology-based banking services has improved financial inclusion in Ranchi City.

Step-2) Reliability Analysis Using Cronbach's Alpha

The next stage, which is to evaluate the reliability of the questionnaire, should be taken when a significant quantity of data has been collected using Google Forms. It is usual practice to utilize Cronbach's alpha as a method for determining the internal consistency of a group of survey questions intended to assess the same construct. It determines if the items in the questionnaire measure what they are supposed to measure in a consistent manner.

In order to conduct the study of reliability using Cronbach's alpha, the data that were gathered must first be entered into a statistical software tool such as SPSS or R. Determine the Cronbach's alpha for each of the constructs that the questionnaire is intended to test. Good internal consistency is indicated by a high Cronbach's alpha, which in most cases is more than 0.7. This finding suggests that the items used to assess each construct are accurate measures.

Step-3) Descriptive Statistics

With the data properly cleaned and organized, generate descriptive statistics for the variables. Descriptive statistics, such as the mean (average), mode (most frequent value), and standard deviation (measure of data dispersion), provide a summary of the central tendencies and variability in the data. These statistics help gain an initial understanding of the patterns and characteristics of the dataset.

Calculate the mean to determine the average score or response for each variable. Identify the mode to find the most common response or category within each variable. Lastly, calculate the standard deviation to assess the extent to which data points vary from the mean.

Step-4) Exploratory Factor Analysis

After gaining a foundational understanding of the data through descriptive statistics, delve into more advanced analyses like EFA. To conduct EFA, use software such as SPSS or R. Input the dataset, and specify the variables to explore for underlying factors. The results of EFA can help uncover the underlying structures or dimensions of financial inclusion and banking performance in Ranchi City. This insight is crucial for the subsequent analysis of how these factors interact and influence one another. Following these steps, from questionnaire development and data collection using Google Forms to reliability analysis.

IV. RESULTS AND DISCUSSION

The SPSS application is used to do the data analysis. The Cronbach's Alpha score for the survey data was estimated to be 0.92, indicating that the data is trustworthy for further investigation. The following is a presentation of the full conclusions from the questionnaire survey's data analysis:

4.1 Demographic Profiling of Respondents

The statistics reflect a varied sample of individuals, as the age distribution in Table 1 illustrates. The majority (32.82%) is between the ages of 25 and 35, closely followed by those between the ages of 18 and 25 (25.95%). Additionally, there is a sizable presence of individuals over the age of 45 (25.20%) and between the ages of 35 and 45 (23.67%). This range of ages shows that the research includes participants at various stages of their professions and lives.

Another significant demographic component in the sample is educational attainment. According to the statistics, the bulk of participants (58%) are illiterate but a sizeable fraction (34.35%) have completed high school. Less people (7.63%) have completed an intermediate or higher degree of education. This distribution suggests that a broad range of educational backgrounds are represented in the research, which may have an impact on how respondents see and interact with the topic.

The third demographic factor, years of experience, sheds light on the individuals' varying professional backgrounds. A wide variety of experience levels are shown by the statistics. A sizable majority of respondents (31.29%) have experience of one to four years, while others fall into the categories of four to eight years (25.95%), eight to twelve years (16.79%), twelve to sixteen years (15.26%), and more than sixteen years (10.68%). The research may include individuals with varying degrees of experience and exposure to the topic under study, according to the diversity in experience levels. Together, these demographic facts provide light on the make-up of the study's sample and serve as a

framework for examining how different demographic aspects could affect respondents' views and reactions to the research.

Table 1 Demographic Details of Respondents

Demographic Details	Particulars	Frequency	Percent
1. Age	a. 18-24	36	25.95
	b. 24-34	42	32.82
	c. 34-44 years	30	23.67
	d. > 44	23	25.20
2. Educational Level	a. Illiterate	74	58
	b. Highschool	47	34.35
	c. Intermediate or above	10	7.63
3. Years of experience	a. 1-4	43	31.29
	b. 4-8	32	25.95
	c. 8-12	24	16.79
	d. 12-16	18	15.26
	e. >16	14	10.68

4.2 Frequency Analysis of Data

The table presented displays the responses to a survey questionnaire with 21 statements related to financial inclusion and banking performance in Ranchi City. Each statement was rated on a scale of 1 to 5, where 1 indicates "Strongly Disagree" and 5 indicates "Strongly Agree." The table provides a breakdown of the number of respondents who selected each rating category (5, 4, 3, 2, 1) for each statement.

For instance, taking the first statement as an example, "The banking services in Ranchi City are easily accessible," the table shows that 16 respondents strongly agreed (rating 5), 29 respondents agreed (rating 4), 30 respondents were neutral (rating 3), 50 respondents disagreed (rating 2), and 6 respondents strongly disagreed (rating 1).

This table offers a comprehensive overview of respondents' opinions and attitudes toward various aspects of financial inclusion and banking services in Ranchi City. It provides insights into the distribution of responses, indicating the extent to which respondents agreed or disagreed with each statement.

Such data is valuable for understanding the prevailing perceptions and challenges related to financial inclusion and banking services in the region. Researchers and policymakers can use this information to identify areas of concern, assess the effectiveness of existing initiatives, and make informed decisions to enhance financial inclusion and banking performance in Ranchi City. The table serves as a foundational resource for further analysis and interpretation of the survey results.

Table 2 Frequency Analysis of Data

Factors	5	4	3	2	1
1. The banking services in Ranchi City are easily accessible.	16	29	30	50	6
2. I have sufficient knowledge about various financial products and services available in Ranchi City.	52	43	20	15	1
3. Financial institutions in Ranchi City offer products that meet my financial needs.	34	34	34	15	14
4. I feel financially included and well-served by the banking sector in Ranchi City.	63	41	24	3	0
5. Financial institutions in Ranchi City provide affordable financial products and services.	27	30	32	24	18
6. The banking services in Ranchi City are efficient and reliable.	59	41	24	6	1
7. I have experienced prompt customer service when dealing with banks in Ranchi City.	33	46	32	19	1

8. The fees and charges associated with banking services in Ranchi City are reasonable.	38	40	38	14	1
9. Banks in Ranchi City are transparent about their terms and conditions.	21	39	27	20	24
10. "Overall, I am satisfied with the performance of banks in Ranchi City."	0	3	29	76	23
11. "I regularly save a portion of my income or earnings."	36	36	38	11	10
12. "I feel confident in my ability to manage my personal finances."	6	21	43	42	19
13. I consult with financial professionals or advisors when making significant financial decisions.	40	44	40	6	1
14. I actively seek out information about financial planning and investment options.	16	29	30	50	6
15. Limited financial literacy is a barrier to accessing banking services in Ranchi City.	52	43	20	15	1
16. The distance to the nearest bank or ATM is a hindrance to using banking services.	34	34	34	15	14
17. High fees and charges deter me from using certain banking services.	63	41	24	3	0
18. "I face difficulties in providing the necessary documentation to open a bank account."	27	30	32	24	18
19. Social or cultural factors influence my decisions regarding financial inclusion.	59	41	24	6	1
20. I use mobile banking apps to access my bank accounts and conduct transactions.	33	46	32	19	1
21. The availability of technology-based banking services has improved financial inclusion in Ranchi City.	38	40	38	14	1

4.3 Descriptive Statistics

In Table 3, the "N (Valid)" column in the table signifies the number of valid responses received for each survey item, demonstrating the completeness of the data for analysis. The absence of missing values suggests that all respondents provided responses to these items, ensuring the reliability of the data.

The "Mean" column reveals the average rating assigned to each survey item by the respondents. A higher mean value indicates a stronger agreement with the statement. For instance, examining the first item, "The banking services in Ranchi City are easily accessible," the mean rating of approximately 4.01 suggests that, on average, respondents tend to agree that banking services in Ranchi City are easily accessible.

The "Mode" column highlights the most frequently selected rating category for each item. It offers insights into the response category that was most commonly chosen by the survey participants. In the case of the first item, a mode of 5.00 indicates that a significant number of respondents strongly agree with the statement, aligning with the overall positive sentiment regarding the accessibility of banking services.

Lastly, the "Std. Deviation" column provides a measure of the variability or dispersion in respondents' ratings for each item. A higher standard deviation implies a greater degree of variability in responses, indicating differing opinions among the respondents. For instance, a standard deviation of approximately 1.15 for the first item suggests some variation in opinions regarding the accessibility of banking services, despite the overall agreement.

These descriptive statistics collectively offer a comprehensive overview of the survey results, enabling researchers and policymakers to identify areas where consensus exists among respondents and areas where opinions diverge. Such insights are invaluable for making data-driven decisions and formulating strategies to enhance financial inclusion and banking services in Ranchi City.

Table 3 Descriptive Statistics

	N		Mean	Mode	Std. Deviation
	Valid	Missing			
1. The banking services in Ranchi City are easily accessible.	131	0	4.0076	5.00	1.14688
2. I have sufficient knowledge about various financial products and services available in Ranchi City.	131	0	3.5344	4.00	1.04732
3. Financial institutions in Ranchi City offer products that meet my financial needs.	131	0	3.0992	4.00	1.35223
4. I feel financially included and well-served by the banking sector in Ranchi City.	131	0	2.0916	2.00	.69559
5. Financial institutions in Ranchi City provide affordable financial products and services.	131	0	3.5878	3.00	1.19531
6. The banking services in Ranchi City are efficient and reliable.	131	0	2.6412	3.00	1.06025
7. I have experienced prompt customer service when dealing with banks in Ranchi City.	131	0	4.0076	5.00	1.14688
8. The fees and charges associated with banking services in Ranchi City are reasonable.	131	0	3.5344	4.00	1.04732
9. Banks in Ranchi City are transparent about their terms and conditions.	131	0	3.0992	4.00	1.35223
10. "Overall, I am satisfied with the performance of banks in Ranchi City."	131	0	2.0916	2.00	.69559
11. "I regularly save a portion of my income or earnings."	131	0	3.5878	3.00	1.19531
12. "I feel confident in my ability to manage my personal finances."	131	0	2.6412	3.00	1.06025
13. I consult with financial professionals or advisors when making significant financial decisions.	131	0	3.8855	4.00	.92521
14. I actively seek out information about financial planning and investment options.	131	0	2.9924	2.00	1.13338
15. Limited financial literacy is a barrier to accessing banking services in Ranchi City.	131	0	3.9924	5.00	1.04142
16. The distance to the nearest bank or ATM is a hindrance to using banking services.	131	0	4.0076	5.00	1.14688
17. High fees and charges deter me from using certain banking services.	131	0	3.5344	4.00	1.04732
18. "I face difficulties in providing the necessary documentation to open a bank account."	131	0	3.0992	4.00	1.35223
19. Social or cultural factors influence my decisions regarding financial inclusion.	131	0	2.0916	2.00	.69559
20. I use mobile banking apps to access my bank accounts and conduct transactions.	131	0	3.5878	3.00	1.19531
21. The availability of technology-based banking services has improved financial inclusion in Ranchi City.	131	0	2.6412	3.00	1.06025

4.4 Exploratory Factor Analysis

Table 4 furnishes essential statistical insights crucial to determining the dataset's suitability for EFA. The KMO Measure of Sampling Adequacy, achieving a commendable value of .810, surpasses the threshold, affirming the

dataset's appropriateness for factor analysis. Additionally, the Bartlett's Test of Sphericity yields a remarkably low p-value of .000, underscoring that the interrelationships among variables significantly deviate from the identity matrix. This emphasizes the dataset's inherent correlations among variables, reinforcing its aptness for further factor analysis. Consequently, these findings substantiate the dataset's robustness and suitability for uncovering latent factors or dimensions within the data, thereby enhancing comprehension of the intricate relationships inherent in the surveyed variables concerning financial inclusion and banking performance in Ranchi City.

Table 4 KMO and Bartlett's Test		
KMO of Sampling Adequacy		.810
Bartlett's Test of Sphericity	Approx. Chi-Square	8680.215
	Df	210
	P-Value	.000

Table 5 displays communalities for each of the 21 survey questions relating to financial inclusion and banking performance in Ranchi City. These communalities include initial communalities as well as communalities that were extracted using principal component analysis. The percentage of the variation in each variable that can be attributed to the underlying components discovered via factor analysis is referred to as the communality of that variable. The initial communalities were all identically 1.000, which demonstrated that at the outset, every factor explained all of the variation that was associated with itself. However, after extraction, communalities ranged from .595 to .860, suggesting that these variables share variance with other factors extracted during the analysis. These communalities are essential for understanding how much each item contributes to the overall factor structure, providing critical insights into the relationships and interdependencies among the surveyed variables. They play a crucial role in refining our comprehension of the underlying factors influencing financial inclusion and banking performance in Ranchi City.

	Initial	Extraction
1. The banking services in Ranchi City are easily accessible.	1.000	.724
2. I have sufficient knowledge about various financial products and services available in Ranchi City.	1.000	.666
3. Financial institutions in Ranchi City offer products that meet my financial needs.	1.000	.709
4. I feel financially included and well-served by the banking sector in Ranchi City.	1.000	.860
5. Financial institutions in Ranchi City provide affordable financial products and services.	1.000	.695
6. The banking services in Ranchi City are efficient and reliable.	1.000	.861
7. I have experienced prompt customer service when dealing with banks in Ranchi City.	1.000	.674
8. The fees and charges associated with banking services in Ranchi City are reasonable.	1.000	.734
9. Banks in Ranchi City are transparent about their terms and conditions.	1.000	.646
10. "Overall, I am satisfied with the performance of banks in Ranchi City."	1.000	.601
11. "I regularly save a portion of my income or earnings."	1.000	.775
12. "I feel confident in my ability to manage my personal finances."	1.000	.755
13. I consult with financial professionals or advisors when making significant financial decisions.	1.000	.595
14. I actively seek out information about financial planning and investment options.	1.000	.816
15. Limited financial literacy is a barrier to accessing banking services in Ranchi City.	1.000	.787
16. The distance to the nearest bank or ATM is a hindrance to using banking services.	1.000	.785
17. High fees and charges deter me from using certain banking services.	1.000	.756
18. "I face difficulties in providing the necessary documentation to open a bank account."	1.000	.825

19. Social or cultural factors influence my decisions regarding financial inclusion.	1.000	.677
20. I use mobile banking apps to access my bank accounts and conduct transactions.	1.000	.808
21. The availability of technology-based banking services has improved financial inclusion in Ranchi City.	1.000	.750
Extraction Method: Principal Component Analysis.		

Table 6 provides the total variance explained. Component 1 explains 52.140% of the total variance, with an initial eigenvalue of 10.949. As components progress, the cumulative percentage of variance explained steadily increases, reaching 73.808% with Component 4. Beyond this point, additional components explain decreasing percentages of variance, with the final component explaining 1.054% of the variance. This table aids in understanding the contribution of each component to the overall variance structure of the dataset. It is valuable for selecting the appropriate number of factors to retain in the factor analysis process, allowing for a meaningful interpretation of the underlying dimensions influencing financial inclusion and banking performance in Ranchi City.

Table 6 Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	10.949	52.140	52.140	10.949	52.140	52.140	4.792	22.817	22.817
2	2.211	10.529	62.668	2.211	10.529	62.668	4.745	22.593	45.410
3	1.333	6.349	69.018	1.333	6.349	69.018	3.128	14.896	60.306
4	1.006	4.791	73.808	1.006	4.791	73.808	2.836	13.502	73.808
5	.967	4.604	78.413						
6	.693	3.302	81.715						
7	.597	2.845	84.560						
8	.572	2.726	87.286						
9	.458	2.183	89.469						
10	.416	1.983	91.452						
11	.346	1.645	93.097						
12	.298	1.418	94.515						
13	.221	1.054	95.569						
14	.190	.905	96.474						
15	.178	.846	97.320						
16	.155	.739	98.060						
17	.133	.633	98.693						
18	.119	.566	99.259						
19	.083	.395	99.654						
20	.041	.197	99.851						
21	.031	.149	100.000						

The Rotated Component Matrix displayed in the table reveals the loadings of each survey item on the four extracted principal components after applying a varimax rotation with Kaiser normalization. Component 1, termed "Financial Inclusion and Satisfaction with Services," encompasses items related to feeling financially included, satisfaction with banking services' efficiency, accessibility, affordability, and meeting financial needs, with item 10 showing a strong association. Component 2, "Accessibility and Technology Usage," includes items regarding mobile banking app usage, fee influence, social or cultural factors, and geographical accessibility. Component 3, "Documentation and Literacy," is characterized by items addressing documentation challenges and limited financial literacy. Component 4, "Savings and Consultation," is loaded with items concerning savings behavior, consulting financial professionals, and prompt

customer service experiences. These components provide a structured understanding of the underlying dimensions influencing financial inclusion and banking performance in Ranchi City, facilitating a more in-depth analysis and informed policymaking in the region.

Table 7 Rotated Component Matrix ^a				
	Component			
	1	2	3	4
4. I feel financially included and well-served by the banking sector in Ranchi City.	.831			
6. The banking services in Ranchi City are efficient and reliable.	.822			
1. The banking services in Ranchi City are easily accessible.	.766			
5. Financial institutions in Ranchi City provide affordable financial products and services.	.747			
3. Financial institutions in Ranchi City offer products that meet my financial needs.	.730			
2. I have sufficient knowledge about various financial products and services available in Ranchi City.	.622			
10. "Overall, I am satisfied with the performance of banks in Ranchi City."				
18. "I face difficulties in providing the necessary documentation to open a bank account."		.864		
21. The availability of technology-based banking services has improved financial inclusion in Ranchi City.		.768		
20. I use mobile banking apps to access my bank accounts and conduct transactions.		.762		
17. High fees and charges deter me from using certain banking services.		.758		
19. Social or cultural factors influence my decisions regarding financial inclusion.		.697		
16. The distance to the nearest bank or ATM is a hindrance to using banking services.		.664		
8. The fees and charges associated with banking services in Ranchi City are reasonable.			.778	
15. Limited financial literacy is a barrier to accessing banking services in Ranchi City.			.755	
14. I actively seek out information about financial planning and investment options.			.745	
12. "I feel confident in my ability to manage my personal finances."			.573	
11. I regularly save a portion of my income or earnings.				.859
13. I consult with financial professionals or advisors when making significant financial decisions.				.629
7. I have experienced prompt customer service when dealing with banks in Ranchi City.				.611
9. Banks in Ranchi City are transparent about their terms and conditions.			.534	.573

Titled "Figure 1: Component Plot in Rotated Space," this visual representation is a scatter plot displaying the positions of variables or observations within a rotated space based on four extracted components from factor analysis. The plot provides a visual depiction of how each variable is situated within this space, illustrating their relationships and contributions to the identified components. Distinct markers or colors differentiate various categories or groups if applicable, enhancing the clarity of the plot's interpretation. This figure serves as a valuable visual aid for

comprehending the underlying dimensions influencing financial inclusion and banking performance in Ranchi City, augmenting the analytical insights in the document.

Component Plot in Rotated Space

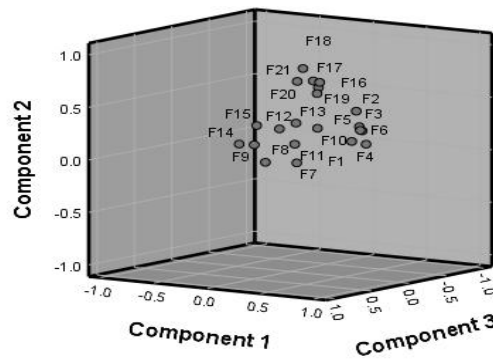


Figure 1 Component Plot in Rotated Space

V. CONCLUSION

In conclusion, this study delved into the intricate landscape of financial inclusion and banking performance in Ranchi City, shedding light on critical aspects that shape individuals' perceptions and experiences. Through a comprehensive survey and robust data analysis, we uncovered four distinct underlying components that encapsulate the essence of these dynamics. The first component, labeled "Financial Inclusion and Satisfaction with Services," underscores the significance of accessible, efficient, and affordable banking services in fostering financial inclusion. Additionally, "Accessibility and Technology Usage" emerged as a vital dimension, emphasizing the role of mobile banking apps, fee structures, and geographical access in influencing banking behavior. The third component, "Documentation and Literacy," highlights the challenges posed by documentation requirements and limited financial literacy as barriers to access. Finally, "Savings and Consultation" underscores the importance of saving habits, seeking financial advice, and prompt customer service in individuals' financial journeys.

Moving forward, addressing the multifaceted dimensions revealed in this study is essential for promoting inclusive and efficient banking services in Ranchi City. Policymakers should prioritize initiatives that enhance accessibility, affordability, and technological integration to meet the diverse needs of the population. Efforts to alleviate documentation challenges and enhance financial literacy can significantly improve access to banking services. Moreover, encouraging saving behavior and facilitating financial consultation can empower individuals to make informed financial decisions. By aligning strategies with these identified components, stakeholders can work collaboratively to foster a more inclusive and customer-centric banking environment, ultimately contributing to the economic well-being of Ranchi City and its residents.

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