Empirical Economics Letters, 25 (Special Issue 2): pp. 65-88, (June 2026) ***ISSN 1681 8997***
https://doi.org/10.5281/zenodo.20543171

Impact of Cybercrime on Financial Inclusion: Examining the Moderating Role of Cybersecurity among Individuals in Delhi NCR

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Abstract: The rapid expansion of digital financial services has accelerated financial inclusion across emerging economies; however, rising cybercrime poses a significant threat to sustained participation in formal financial systems. This study examines the direct impact of perceived cybercrime on financial inclusion and investigates the moderating role of cybersecurity in this relationship. Drawing on Protection Motivation Theory and the risk-based perspective of the Technology Acceptance Model, the study proposes that cybercrime perceptions act as a structural deterrent to financial engagement, while cybersecurity functions as a confidence-restoring mechanism. Using primary data collected from 398 digital financial users in Delhi NCR, the study employs Structural Equation Modelling (SEM) to test the proposed hypotheses. The findings reveal that perceived cybercrime has a significant negative effect on financial inclusion. However, cybersecurity significantly moderates this relationship, weakening the adverse impact of cybercrime when strong institutional and technological safeguards are perceived. The results highlight that digital financial inclusion is not solely dependent on access and affordability but also on perceived digital safety and trust. The study contributes to financial inclusion literature by positioning cybercrime as a measurable barrier and cybersecurity as a strategic buffer within emerging digital economies. Policy implications emphasize strengthening fraud redressal mechanisms, enhancing cybersecurity awareness, and integrating digital protection strategies within financial inclusion initiatives.

Keywords: Cybercrime, Cybersecurity, Financial Inclusion, Digital Finance, SEM, Emerging Economy

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