

FINANCIAL INCLUSION IN INDIA THROUGH PRADHAN MANTRI JAN DHAN YOJANA : AN EMPIRICAL CONDUCTED IN THE VILLAGES OF SONIPAT DISTRICT

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Abstract:

The aim of financial Inclusion schemes is to permit the less fortunate areas to benefit themselves different monetary items and administrations through ledger. This paper conveys forward the information and data gathered through organized meeting timetable and conversations. The overall data of banking propensities, mindfulness level and utilizing the advantages of Pradhan Mantri Jan Dhan Yojana (PMJDY) Scheme, and so forth were broke down particularly the primary period of Pradhan Mantri Jan Dhan Yojana execution. Purposive cum reference examining technique was done in the towns of Aterna, Bhadana towns. Test size comprised of 70 respondents. The information examination was readied utilizing spellbinding measurements and Chi-Square Test. There is no significant effect of the Jan Dhan Yojana conspires particularly of first stage execution on ranchers. Dominant part of them don't know about the advantages got from the monetary incorporation mission. A large portion of individuals are having incomplete data about the plan, which is about the protection plans and that's it. The outcome to confirm the speculations shows unmistakably that there is no critical distinction between the socioeconomics, for example, sex, age, schooling, marital status and month to month pay of ranchers and information on Jan Dhan Yojana Scheme benefits. It is likewise seen dominant part of them have opened Jan Dhan Yojana accounts in banks since it very well may be opened with zero equilibrium. There is absence of monetary proficiency in rustic territories. The discoveries authenticates with rest of the accessible examinations. Making cognizance to utilize the monetary items and administrations through mindfulness crusade among the country individuals just as preparing to business journalists is viewed as fundamental for the achievement of Jan Dhan Yojana. This examination is an endeavor to inspect the information level of Jan Dhan Yojana plans

and utilization/reception of plan benefits by the Farmers of a few towns of Sonipat District of Haryana State.

Keywords: Financial Inclusion, bank, income, farmers, knowledge.

1. Introduction

The concept of Financial Inclusion is not a new one. It has become a catchphrase now and has attracted the global attention in the recent decades. Lack of accessible, affordable and appropriate financial services has always been a global problem. It is estimated that about 2.9 billion people around the world do not have access to formal sources of banking and financial services. Therefore in India, Financial inclusion is intended to connect people to banks with consequential benefits, ensuring that the financial system plays its due role in promoting inclusive growth in one of the biggest challenges facing the emerging economies. From the learning of past schemes failure, our Hon'ble Prime Minister: Shri.Narendra Modi has taken a forward steps on Financial Inclusion as one of the top most priority project of the govt. In this regard, in his 1st Independence Day speech August 15, 2014 he announced a new scheme PRADHAN MANTRI JAN DHAN YOJANA (Prime Minister people money scheme) (PMJDY) as a National Mission for comprehensive financial inclusion. And PMJDY launched on 28th August 2014, for weaker section of the community as an integrated approach for the financial freedom & financial literacy, PMJDY works on the principles of SAB KA SATH SAB KA VIKAS & Mera Khata Bhagyavidhata, which means 'my account is divine'. Financial inclusion provides formal identity, access to payments system & deposits to all the households in the country with financial services, with particular focus to empower the weaker sections of society, including women, small and marginal farmers and labourers, both rural and urban.

This yojana has been divided into two phases for its implementation. The first phase will range from 15th August, 2014 to 14th August, 2015 in which universal access to banking facilities, providing basic banking accounts for saving and remittance, Rupay debit card with inbuilt accidental insurance of Rs 1 Lakh and training on financial literacy will be will be provided. The second phase will range from 15th August, 2015 to 15th August 2018 in which an overdraft facility of up to Rs 5000/- after six months of satisfactory performance of saving

or credit history, creation of Credit Guarantee Fund for coverage of defaults in overdraft A/Cs, Micro-Insurance, Unorganized sector pension schemes like Swavalamban etc will be taken care of. It is specifically against this background that the present study is an attempt to analyze the progress of the scheme (especially of the first phase) among the farmers that is, rural customer and thus realizing financial inclusion.

Though there are many studies by researchers on financial inclusion, we find very few studies focused on PMJDY scheme in meticulous. The available literature provides an understanding that the benefits of the scheme has helped to boost the previous schemes of financial inclusion such as micro finance, self help group for working towards positive development. Under this scheme share of rural area in term of a number of accounts under public and private sector bank was higher as compared with Regional Rural Banks. The total of 19.34 crores accounts were opened with total deposits of Rs. 26,956.45 lakhs, out of which, 35 per cent accounts were opened with zero balance. The share of a number of rural debit cards was maximum in public sector bank followed by Regional Rural Banks and private sector banks. This scheme ensured access to financial services, namely, Banking/ Savings & Deposit Accounts, Remittance, Credit, Insurance, Pension in an affordable manner to poor people in rural, semi-urban and urban areas.

2. Review of Literature

To unmistakably comprehend the gravity of the monetary consideration point, some exploration papers have been analysed, broad survey of different reports, working papers, expositions and scholastic diaries were audited. Out of which, not many of them have been recorded here.

Shekar, M.(2017), this exploration paper focused on momentarily surveying the status of monetary incorporation in India, the pre and post demonetization Progress of PMJDY (Pradhan Mantri Jan Dhan Yojana) and its issues and challenges, and furthermore offers recommendations for accomplishing Inclusive Growth. He presumed that the monetary incorporation indicated positive and important changes due to change in strength and innovative changes.

Veeramani, S. (2017), the creator made an endeavor to examine the effect of demonetization on different areas in India. The aftereffects of the examination uncover that

conventional people were the most unfavorably influenced. The new sort of stores called benami stores have likewise thought of demonetization. Furthermore, creator reasoned that the point of accomplishing monetary incorporation alongside making India a credit only and computerized economy, endeavors are needed to make innovation to arrive at the lower part of the general public.

Shanker Kumar, SJ, Aftab Ahmad, S and Shekar, M. (2017), the examination paper endeavor to address the affecting components of monetary proficiency, Financial Inclusion status through Financial Literacy and Role of concerned Regulatory experts for advancing monetary education and creators inferred that the monetary literacy status isn't good, particularly in country zones and individuals don't know about monetary administrations advertised.

“Banik, N. what's more, Padalkar, M. (2016), focused on PMJDY accounts after demonetization, demonetization has made a gigantic driving force toward more prominent monetary consideration. It has operationalized the Jan-Dhan ledgers, with around 210 billion rupees (\$3 billion) in stores.

Iyer, S.S. (2016), the creator brought up with respect to Benami Deposits in his paper. The Jan Dhan financial balances opened for the most unfortunate of poor are presently expanding with money since demonetization. This infers that these records have become holders of someone's record i.e., poor people have been utilized by those with hoardes of unaccounted cash to stop their assets.

Nigam, A. (2016), the creator zeroed in on the admittance to credit and reserve funds offices, monetary security and the way of life improves and neediness falls, permitting individuals to offer more to the economy also.

Partap Singh and Virender Singh (2016), this examination is an endeavor to comprehend the effect of demonetization on Indian economy and the creators likewise featured the plausible results of the demonetization choice on different monetary factors and substances.

Trevedi, Pratima and Trevedi Saumya (2016), in their examination paper attempts to discover level of monetary education in our country and steps started for disclosing monetarily proficient.

Suresh, A., Narayana Srinivasa and Kumar Vijay (2016), the creators endeavored to examine the outline of The Jan Dhan Yojana, a goal-oriented monetary consideration programe to kill monetary distance by opening ledgers for less fortunate segment. They likewise attempted to give proof on effect of Pradhan Mantri Jan Dhan Yojna in India, the different issues, difficulties, and present status of monetary administrations in the country.

Veeramani, S. (2015), the creator zeroed in on Financial Inclusion and the Progress of PMJDY and its issues and difficulties. What's more, proposed that the public authority should give due spotlight on foundation of satisfactory number of Financial Literacy Centers (FLC), measures to improving availability and framework as a progressing persistent interminable interaction by anticipating full extendable help from all the partners.

Gupta, Sonam Kumari (2015), the creator focused on pattern of records opened under PMJDY Scheme and recommended procedures to direct mindfulness on monetary education exercises.

Kaur Harpreet and Singh, Kawal Nain (2015), considered the new patterns in monetary incorporation in India with exceptional reference to Pradhan Mantri Jan Dhan Yojana, featuring its key regions and recommended systems to guarantee greatest monetary consideration for the burdened and unbanked zones.

3. Objectives of Study

The examination was endeavored with the going with Objectives:

- To appreciate the monetary status and banking inclinations for farmers in the picked towns.
- To inspect the responsiveness and practice of Jan DhanYojana plot executed in the essential stage among the farmers.

4. Method of the examination

The examination configuration is exploratory and clear in nature. Test size comprised of 70 ranchers. Purposive cum reference examining strategy is utilized in the towns of Aterna, Bhadana towns of Sonipat District, Haryana. Information and data were gathered through organized meeting timetable and conversations. The timetable included

inquiries identified with the overall data of banking propensities, mindfulness level and utilizing the advantages of PMJDY Scheme, and so on.

The information examination was finished by utilizing basic rate investigation and Chi-Square Test. The exploration is restricted to ranchers as it were. Considering the restricted geology and number of ranchers the discoveries of the investigation may have their own limits in their materialness to different pieces of the area or state. Coming up next is the speculation formed for the examination:

- H0: There is no critical distinction in the socioeconomics and information on Pradhan Mantri Jan DhanYojana plans in provincial zones.
- H1: There is critical contrast in the socioeconomics and information on Pradhan Mantri Jan DhanYojana plans in provincial territories.

5. Result and findings

5.1 Profile of Farmers

Age: All age bunches are effectively associated with cultivating. Of the entire example respondents, 45.2 percent and 30% of them are in age gathering of 20 - 30 years and 31 to 40 years separately. This uncovers that the horticultural occupation is as yet predominant for the more youthful age in the reviewed towns. 88.7 percent of them are hitched and lived in joint families.

Pay: From the examination 59.7 percent of the ranchers procured pay on a normal Rs. 5000 to Rs. 10,000 every month. Not many (3.2 percent) detailed month to month pay to be over 15,000. Dominant part of them had extra sort of pay creating resources, for example, milch creatures, to cite, cows, goats, hen, and so on.

Training: Education is pivotal for money age, reserve funds propensity and social change. 50% of the ranchers have gone to just essential level school. Just not many that are 8.1 percent and 3.2 percent were seen to have gone for center and secondary school separately. On the other degree, 38.7 percent were seen to be unskilled people. There is likewise a rousing perception, a considerable lot of them have understood the significance of instruction and wish to teach their children past higher school level.

5.2. Banking and Saving Habits

The examination attempted to comprehend the information on financial conduct among the ranchers. According to 92 percent of them have the information on banking (for them banking information implies just dealings like money withdrawal and money stores in their investment account). Greater part of them had investment account in State Bank of India, which shows a trust in Public Sector banks. It is additionally gathered 85.5 percent (greatest ranchers) do have dynamic saving propensities. Almost 75.8 percent of them save money on month to month design and favor banks as the ideal spot for doing reserve funds. Not many (14.5 percent) did month to month reserve funds by joining Self Help Groups as opposed to banks or mail depots. There are not many families who gave prime significance to Annual LIC Installments as a component of wellbeing and future safety efforts.

The additional perceptions of the examples exhibited the absence of monetary instruction too. If there should be an occurrence of monetary need, the wellspring of getting still relied upon cash moneylenders and different sources, for example, family members and self-improvement gatherings (the cited reason is the long techniques, paper work, and necessity of assurance, and so forth) Just 50% of ranchers' have inclination for Public banks as wellspring of getting.

5.3 Pradhan Mantri Jan Dhan Yojana

The fundamental focal point of the investigation is to comprehend the responsiveness and practice of Jan Dhan Yojana Scheme executed in the main stage among the respondents. The stage reports a differentiating perception which is a terrible misgiving. In spite of the fact that 91 percent of the ranchers do have ledgers still the responsiveness and advantages of JDY plans are not appropriately suggested. According to the deduction, just 11.3 percent do exchanges in JDY account. This is likewise because of recommendations given by banking authorities for profiting the protection benefits, and so forth.

Table 1 : Profile of farmers in selected villages

S. No.	Characteristics	Number of Respondents	Total (%)
1.	Gender		
	Male	55	79
	Female	15	21
2.	Age		

	21-30 yrs	32	45.2
	31-40 yrs	21	30.6
	41-50 yrs	8	11.3
	>50 yrs	9	12.9
3.	Education		
	Up to Primary	35	50
	Middle class level	6	8.1
	High school	3	3.2
	Illiterate	26	38.7
4.	Marital status		
	Married	62	88.7
	Single/divorced	3	4.8
	Widow	5	6.5
5.	Monthly Income		
	2000-5000	15	21
	5000-10000	41	59.7
	10000-15000	12	16.1
	=>15000	2	3.2
6.	Saving Habits		
	Yes	60	85.5
	No	10	14.5
7.	Saving pattern		
	Annually	7	10
	Monthly	53	75.8
	Very rare	10	14.2
8.	Bank account & Deposits		
	Yes	65	91.9
	No	5	8.1
9.	Source of money		
	Bank	36	51.6
	Money lenders	19	27.4
	Other sources	15	21

Table 2 : Jandhan yojana responsiveness among the farmers in selected villages

S. No.	Characteristics	Number of Respondents	Total (%)
1.	KNOWLEDGE OF PMJDY		
	Yes	60	85
	No	10	15
2.	SOURCE OF AWARENESS		
	Bank	25	35.5.
	NGO's	12	16.1
	SHG's	13	17.7
	Business Correspondents (BC)	10	14.5
	Not Aware	10	14.5
3.	OPENED NEW Jan Dhan		

	ACCOUNT		
	Yes	60	85.5
	No	10	14.5
4.	If 'yes' OPENED Jan Dhan ACCOUNT in:		
	Bank	69	83
	Post office	11	17
5.	DOES TRANSACTIONS		
	Yes	8	11.3
	No	62	88.7
S. No.	Benefits	Yes	No
1.	No Minimum Balance Required & Issue of Rupay Card.	60	-
2.	Interest on Deposits.	21 (34%)	39 (66%)
3.	Accidental insurance cover of Rs.1.00 lac;	55 (91%)	5 (9%)
4.	Life insurance cover of Rs.30,000/-	60 (100%)	-
5.	Overdraft facility upto Rs.5000/- is available after satisfactory operation of the account for 6 months.	14 (23%)	46 (77%)
6.	Other Benefits: Direct Benefit Transfer; access to pension, etc.	4 (6%)	56 (94%)

The wellspring of mindfulness about JDY conspire among the ranchers included NGO's, SHGs, and Business Correspondents; anyway plot benefits are not appropriately disclosed by them to the rustic respondents. It is derived from Table 2 that greater part of the ranchers don't know about the total advantages given by PMJDY Scheme. Notwithstanding, 91 percent of them know that they are qualified for Accidental Insurance Coverage of Rs. 1.00 lac; just 34 percent are cognizant that they can get interest on their stores and not many (6 percent) thought about different advantages: Government plots Direct Benefit Transfer to their record, and so forth In like manner, it is additionally noticed just 23 percent of them know that they can have an Overdraft office of upto Rs. 5,000/ -.

The development perceptions reasoned that ranchers do comprehend Jan Dhan Yojana as Modi Ji's ledger and have just data that there is No Minimum Balance Required and the record holders will get Life Insurance front of Rs.30,000/ - and Accidental Insurance Coverage of Rs. 1.00 lakh as it were. In general the different advantages of the Schemes are not known to ranchers. The information on the Yojana is halfway.

5.4 Result

Chi-Square demonstrates a relationship between factors. The consequences of chi-square test taken to confirm the theory shows unmistakably that there is no critical contrast

between the socioeconomics, for example, sex, age, instruction, marital status and month to month pay of ranchers and information on Jan Dhan Yojana Scheme benefits. (Considering the way that the determined worth is lower than the table worth, and the outcomes are not critical at 5 % level, the invalid theory is acknowledged).

Table 3. Chi-square test- relationship between demographics of the respondents and knowledge of Jan dhan yojana schemes

Demographics	Value	Df	Table Value	Sig @ 5 % Level	Result
Gender	0.010	1	3.84	.920	Not Significant
Age	3.650	3	7.81	.302	Not Significant
Education	1.818	3	7.81	.611	Not Significant
Marital Status	1.340	2	5.99	.512	Not Significant
Monthly Income	4.574	3	7.81	.206	Not Significant

6. Findings

- There is no significant effect of the Jan Dhan Yojana conspires particularly of first stage execution on ranchers. Lion's share of them don't know about the advantages got from the monetary consideration mission. To a bigger degree, respondents were thinking about Jan Dhan Yojana record and typical bank account a similar when they were asked about PMJDY.
- Most of individuals are having fractional data about the plan, which is about the protection plans and that's it. The youthful locals are all the more yet restricted information about the plan. The family ladies are not appropriately clarified about the plan and the focal points.
- From the study, it is likewise seen dominant part of them have opened JDY accounts in banks since it very well may be opened with zero equilibrium. Because of this, they generally kept their record with zero equilibrium. (Indeed, the rustic individuals regardless of whether had hard money at home, they would prefer not to store those cash in banks).
- There is absence of monetary education in provincial regions; henceforth more mindfulness ought to be made. NGO's, SHGs, and Business Correspondents have not

given the total data. Execution of the public authority plans and advantages has not reached sufficient in rustic zones when contrasted with metropolitan spots.

7. Conclusion

Monetary incorporation is one of the establishment columns on which India's advancement rests. Pradhan Mantri Jan Dhan Yojana dependent on sole intention to bring 100% monetary incorporation in India has made a great outcome in the financial area with respect to destruction of destitution; it is as yet in introductory stages. The entire examination uncovered that the PMJDY Scheme benefits are not completely misused. In spite of the fact that respondents have full admittance to their financial balances, experimental proof grandstands the fractional information on the plan benefits among the ranchers. Rustic territories are still to emerge from the hold of cash moneylenders, oversee arising monetary necessities and get profits by a scope of monetary administrations offered under PMJDY plans. Simple opening of ledgers may not satisfy the point of the plan; there ought to be constant activity of financial balances to give the genuine achievement of the plan. Making cognizance to utilize the monetary items and administrations through mindfulness crusade among the country individuals just as preparing to business reporters is viewed as fundamental for the accomplishment of Jan Dhan Yojana and this will contribute for additional positive results and it will be the real comprehensive development in the public arena. There is further extension for exploring different features of Financial Inclusion Mission in the chose towns.

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