



A STUDY AWARENESS OF PRADHAN MANTRI JAN DHAN YOJANA ON BANK ACCOUNT HOLDERS IN DAVANGERE DISTRICT

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ABSTRACT

Pradhan Mantri Jan-Dhan Yojana (PMJDY)" which is a National Mission for Financial Inclusion. The task is gigantic and is a National Priority. This National Mission on Financial Inclusion has an ambitious objective of covering all households in the country with banking facilities and having a bank account for each household. It has been emphasized by the Hon'ble PM that this is important for including people left-out into the mainstream of the financial system. This paper aimed to explore the awareness, usage, and opinion of the users of PMJDY account holders. A Structured questionnaire was prepared and primary data were collected from 68 respondents in Davangere district, Karnataka regarding awareness, usage, and opinion of the users of PMJDY scheme. The data was analyzed through Microsoft excel, SPSS by using statistical tools like frequency, percentage and chi-square test, t-test is used to test the hypothesis. From the chi -square test indicated that there is no significant association between awareness of PMJDY Scheme and gender of the respondents|| and there is a significant association between awareness of PMJDY Scheme and Education qualification of the respondents||. From the t-test indicated that that there is a negative perception about the PMJDY Scheme among its beneficiaries||.

Keywords: PMJDY, Awareness, Account Holders

INTRODUCTION

Hon'ble Prime Minister, Sh. Narendra Modi on 15th August, 2014 announced "Pradhan Mantri Jan Dhan Yojana (PMJDY)" which a National Mission for Financial Inclusion. The task is gigantic and is a

National Priority. This National Mission on Financial Inclusion has an ambitious objective of covering all households in the country with banking facilities and having a bank account for each household. It has been emphasized by the Hon'ble PM that this is important for including people left-out into the mainstream of the financial system. The Pradhan Mantri Jan Dhan Yojana will be launched on 28th August 2014, across the nation simultaneously. It will be launched formally in Delhi with parallel functions at the state level and also at district and subdistrict levels. Camps are also to be organized at the branch level. The Pradhan Mantri Jan-Dhan Yojana lies at the core of development philosophy of "Sab Ka Sath Sab Ka Vikas". With a bank account, every household would gain access to banking and credit facilities. This will enable them to come out of the grip of moneylenders, manage to keep away from financial crises caused by emergent needs, and most importantly, benefit from a range of financial products. As a first step, every account holder gets a RuPay debit card with a 1, 00,000/- accident cover. Further, they will be covered by insurance and pension products. There is need to enroll over 7.5 crore households and open their accounts. Earlier efforts by the Government of India include setting up a committee on financial inclusion under the chairmanship of Dr. C. Rangarajan. The committee finalized its report in early 2008. As is evident from the preamble of the report, the committee interpreted financial inclusion as an instrumentality for social transformation, Access to finance by the poor and vulnerable groups is a prerequisite for inclusive growth. In fact, providing access to finance is a form of empowerment of the vulnerable groups. Financial Inclusion denotes delivery of financial services at an affordable cost to the vast sections of the disadvantaged and low income groups.

The various financial services included credit, savings, insurance and payments and remittance facilities. The objective of financial inclusion is to extend the scope of activities of the organized financial system to include within its ambit people with low incomes. Through graduated credit, the attempt must be to lift the poor from one level to another so that they come out of poverty.

Pradhan Mantri Jan-Dhan Yojana (PMJDY) is National Mission for Financial Inclusion to ensure access to financial services, namely, Banking/ Savings and Deposit Accounts, Remittance, Credit, Insurance, Pension in an affordable manner. Account can be opened in any bank branch or Business Correspondent (Bank Mitra) outlet. Accounts opened under PMJDY are being opened with Zero balance. However, if the account-holder wishes to get cheque book, he/she will have to fulfill minimum balance criteria.

DOCUMENT REQUIRED OPENING AN ACCOUNT UNDER PRADHAN MANTRI JANDHAN YOJANA

- ✓ The passport,
- ✓ The driving licence,
- ✓ The Permanent Account Number (PAN) Card,
- ✓ The Voter's Identity Card issued by Election Commission of India,
- ✓ Job card issued by NREGA duly signed by an officer of the State Government,

- ✓ The letter issued by the Unique Identification Authority of India containing details of name, address and Aadhaar number, or
- ✓ Any other document as notified by the Central Government in consultation with the Regulator: Provided that where simplified measures are applied for verifying the identity of the clients the following documents shall be deemed to be officially valid documents, Identity card with applicant's Photograph issued by Central/State Government
- ✓ Departments, Statutory/Regulatory Authorities, Public Sector Undertakings,
- ✓ Scheduled Commercial Banks, and Public Financial Institutions;
- ✓ Letter issued by a Gazetted officer, with a duly attested photograph of the person.

Reserve Bank of India (RBI), vide its Press Release dated 26.08.2014, has further clarified that those persons who do not have any of the officially valid documents can open Small Accounts with banks. A Small Account can be opened on the basis of a self-attested photograph and putting his/her signatures or thumb print in the presence of officials of the bank. Such accounts have limitations regarding the aggregate credits (not more than Rupees one lakh in a year), aggregate withdrawals (not more than Rupees ten thousand in a month) and balance in the accounts (not more than Rupees fifty thousand at any point of time). These accounts would be valid normally for a period of twelve months. Thereafter, such accounts would be allowed to continue for a further period of twelve more months, if the account-holder provides a document showing that he/she has applied for any of the Officially Valid Document, within 12 months of opening the small account.

SPECIAL ADVANTAGES UNDER PMJDY SCHEME

- ✓ Interest on deposit.
- ✓ Accidental insurance cover of Rs. 2 lakhs
- ✓ No minimum balance required.
- ✓ The schemes provide life cover of Rs. 30,000/- payable on death of the beneficiary, subject to fulfillment of the eligibility condition.
- ✓ Easy Transfer of money across India
- ✓ Beneficiaries of Government Schemes will get Direct Benefit Transfer in these accounts.
- ✓ After satisfactory operation of the account for 6 months, an overdraft facility will be permitted
- ✓ Access to Pension, insurance products.

The Claim under Personal Accidental Insurance under PMJDY shall be payable if the Rupay Card holder have performed minimum one successful financial or non-financial customer induced transaction at any Bank Branch, Bank Mitra, ATM, POS, E-COM etc. Channel both Intra and Inter-bank i.e. on-us (Bank Customer/rupay card holder transacting at same Bank channels) and off-us (Bank Customer/Rupay card holder transacting at other Bank Channels) within 90 days prior to date of accident including accident date will be included as eligible transactions under the Rupay Insurance Program 2019-2020. Overdraft

facility upto Rs. 10,000/- is available in only one account per household, preferably lady of the household.

REVIEW OF LITERATURE

- **Senapati (2018)** in his paper titled, A Study of Pradhan Mantri Jan Dhan Yojana (Pmjdy) Scheme In Odisha and Challenges of Financial Inclusion, author discuss about Pradhan Mantri Jan-Dhan Yojana (PMJDY) is a National Mission for Financial Inclusion to ensure access to financial services, namely, Banking/ Savings & Deposit Accounts, Remittance, Credit, Insurance, Pension in an affordable manner. Since the launch of this scheme in 2014, it has created a milestone in bringing millions to the banking services. It is a crucial scheme of Government to achieve financial inclusion of the mass and making a progress towards inclusive growth. This paper tries to study the scheme in details and its progress across the country as well as in the state of Odisha.
- **Shukla (2018)** in this article titled, A Study on Role of Pradhan Mantri Jan Dhan Yojana in Financial Inclusion author aims to establish the strong understanding of PMJDY and the effects of PMJDY in our economy. It has also tried to explain the facts and figures of PMJDY and its current status. Though there were some challenges during establishing this scheme and the opposition also raised their voice against the Modi Government, as they said that it is one of the act of pleasing voters. Instead of the various statements made by the opposition and critics we can say that it is one of the greatest steps ever taken to destroy poverty is inclusive financing through PMJDY. For the success of any scheme constant assessment and regular check is very much required and the government will definitely do the necessary. It draws the conclusion like there is still large number of population in the remote area which is derived from the banking facilities and people are not aware about the various benefits provided by the scheme.
- **Deb (2016)** in this research paper titled, Perceptions of Bank Account holders about PMJDY, A Study on Baikhora Region of South Tripural, author briefly analyses the PMJDY scheme with the help of interview schedules about perception of account holders in Tripura. The data set is tested for its validity, reliability and sample adequacy. The data dimension test, Factor analysis has extracted four factors viz. Principal Benefits of Bank A/c, Supplementary Benefits of Bank A/c, Policy lags in Private Banks and Coverage & Cluster of Customers. The first null hypothesis is tested on the basis of gender using independent sample t-test. The result has found to be statistically significant hence H01 is rejected. The second hypothesis was tested using cross tabulations and the results have pointed out significant association between the variables, obviously rejecting H02. To assess the strength of relationship between the service expectations decision to open bank account under PMJDY, simple regression test is applied and the relationship was proved to be significant, H03 was rejected. The fourth hypothesis was tested using Stepwise backward regression method and the results documented that the predictors extracted are significant indicator of the outcome and H04, was rejected.

STUDY OF RESEARCH

Pradhan Mantri Jan Dhan Yojana (PMJDY) seeks to find out whether significant changes have been brought about in the study area, viz. Davangere district of Karnataka. Such a research was not done before in the district Karnataka in the above aspect. The result of this research may be of lasting use Future public policy makers.

OBJECTIVES OF THE STUDY

- ✓ An awareness study of beneficiaries of Pradhan Mantri Jan Dhan Yojana in Davangere district
- ✓ A cognitive analysis study among the beneficiaries of Pradhan Mantri Jan Dhan Yojana in Davangere district

HYPOTHESIS

- ✓ There is no correlation between knowledge and understanding of Pradhan Mantri Jan Dhan Yojana
- ✓ There is no relationship between application and utilization of Pradhan Mantri Jan Dhan Yojana

SCOPE OF THE STUDY

Primarily the scope of this study is to help the awareness of Pradhan Mantri Jan Dhan Yojana to the beneficiaries of Davangere District Pradhan Mantri Jan Dhan Yojana based on actual knowledge, understanding, application, skill, ability of Pradhan Mantri Jan Dhan Yojana.

RESEARCH METHODOLOGY

SOURCE OF DATA

Presently this paper is prepared based on primary and secondary and ancillary sources. Primary data was collected through questionnaire. Secondary data is data collected from other newspapers, magazines, websites, reports etc.

STATISTICAL TOOLS AND TECHNIQUES

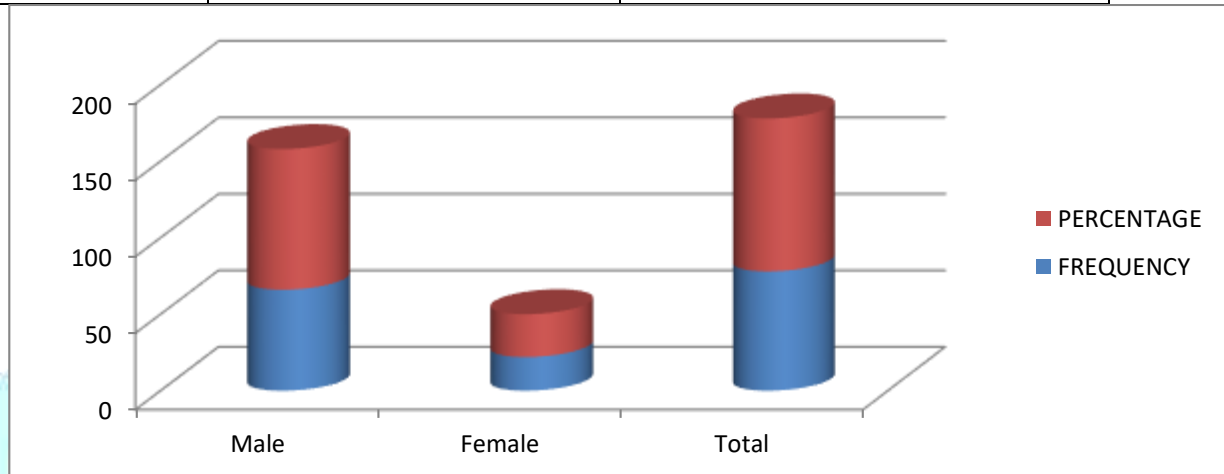
Microsoft Excel and SPSS packages were used to analyze each data in this paper and with the help of it, the data was analyzed, analyzed, percentages etc. and 'T' test was used to test the hypotheses.

ANALYSIS AND INTERPRETATION

TABLE NO 1

GENDER WISE DISTRIBUTION

GENDER	FREQUENCY	PERCENTAGE
Male	66	92
Female	22	28
Total	78	100.0



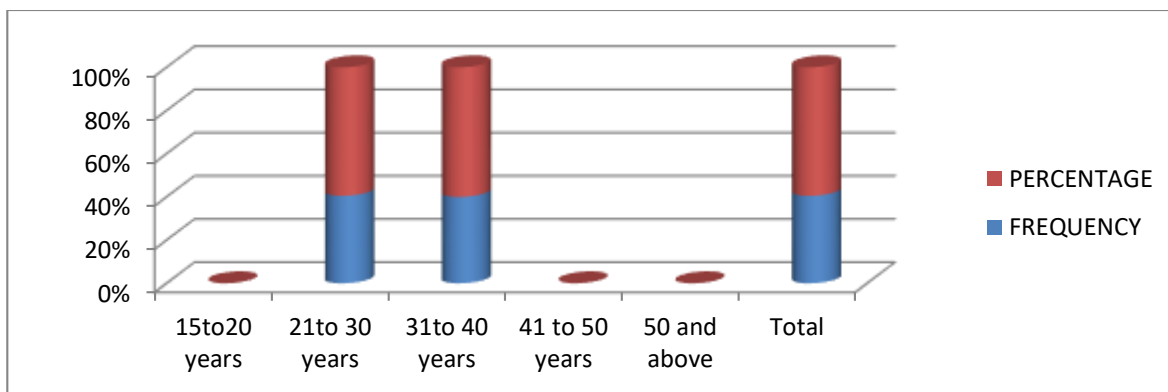
The table one shows the gender-wise distribution of accounts opened under PMJDY scheme by the respondents out of 78 respondents, 92% of respondents are male and 28% are females that mean 22 respondents are male and 66 respondents are females.

The above graph reveals that more than half of the respondents were males in the study, because of the more males in the study area or males are more aware of PMJDY scheme than females.

TABLE NO 2

AGE-WISE DISTRIBUTIONS

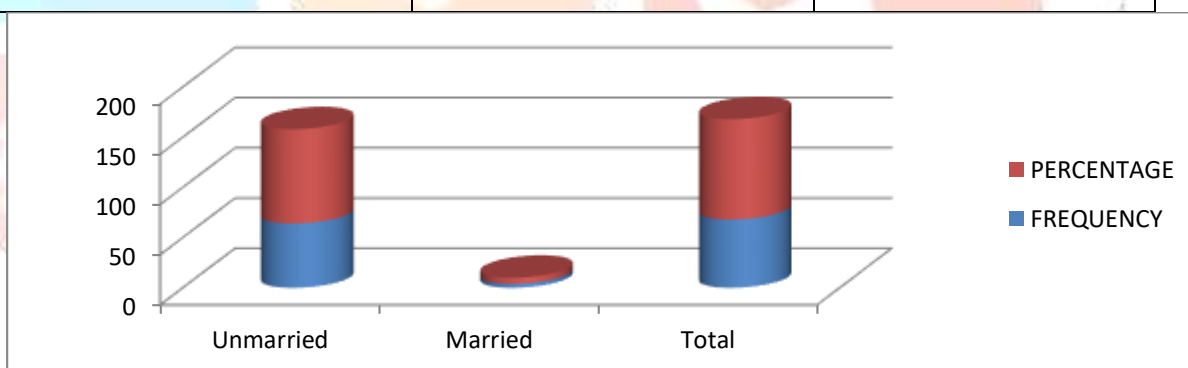
AGE	FREQUENCY	PERCENTAGE
15to20 years	0	0
21to 30 years	64	94
31to 40 years	4	6
41 to 50 years	0	0
50 and above	0	0
Total	68	100



The table two shows the age-wise distribution of accounts open under PMJDY scheme by the respondents out of 68 respondents, 94% respondents are from 21 to 30 years age group, 6% respondents are from 31 to 40 years age group. Therefore from the above graph, it depicts that the young generation group has used more users of PMJDY scheme then other groups.

TABLE NO 3
MARITAL STATUS

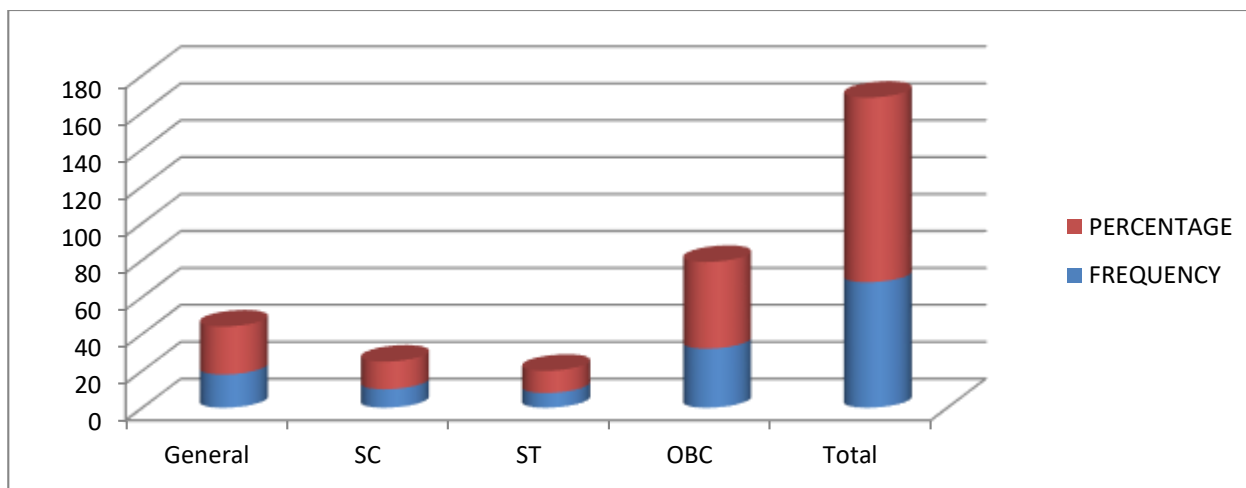
MARITAL STATUS	FREQUENCY	PERCENTAGE
Unmarried	64	94
Married	4	6
Total	68	100.0



The above table shows the Martial status of accounts open under PMJDY scheme by the respondents out of 68 respondents, 94% of respondents are unmarried and the remaining 6% of respondents are married, this table shows that the bachelor’s people had majority users PMJDY scheme.

TABLE NO 4
CASTE

CASTE	FREQUENCY	PERCENTAGE
General	18	26
SC	10	15
ST	8	12
OBC	32	47
Total	68	100.0

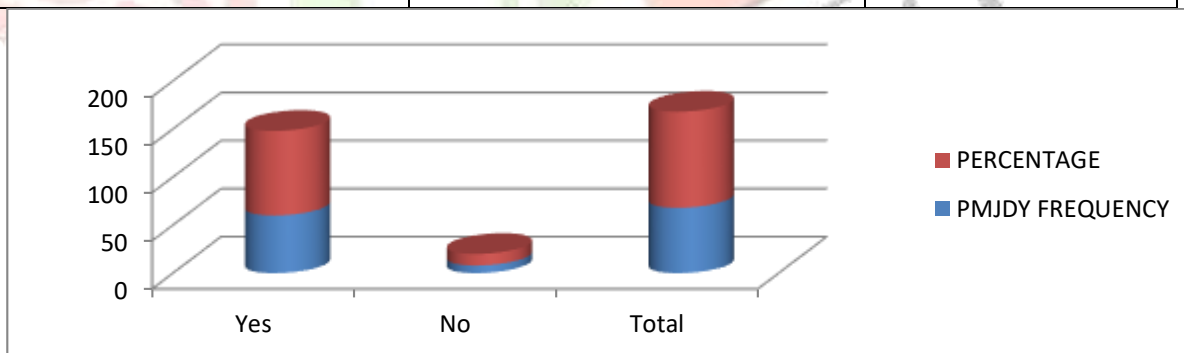


The above table highlights the PMJDY scheme categorization of sample respondents based on their caste Categories.

Out of a sample of 68 respondents who enrolled under PMJDY Scheme, 47% OBCs, 26% General, 15% SCs and only 12% STs. The above result shows that a majority of the respondents are from OBC category.

TABLE NO 5
DO YOU AWARE ABOUT PMJDY?

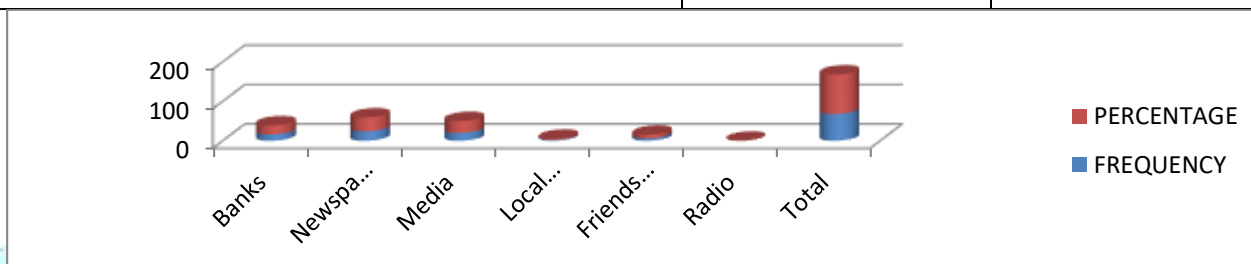
DO YOU AWARE ABOUT	PMJDY FREQUENCY	PERCENTAGE
Yes	60	88
No	8	12
Total	68	100.0



The above table number 8 shows the awareness of PMJDY scheme among account holders almost 88% of respondents as much aware of PMJDY scheme and 12% of respondents are not aware about PMJDY scheme under this study.

TABLE NO 6
HOW DID YOU COME TO KNOW ABOUT PMJDY?

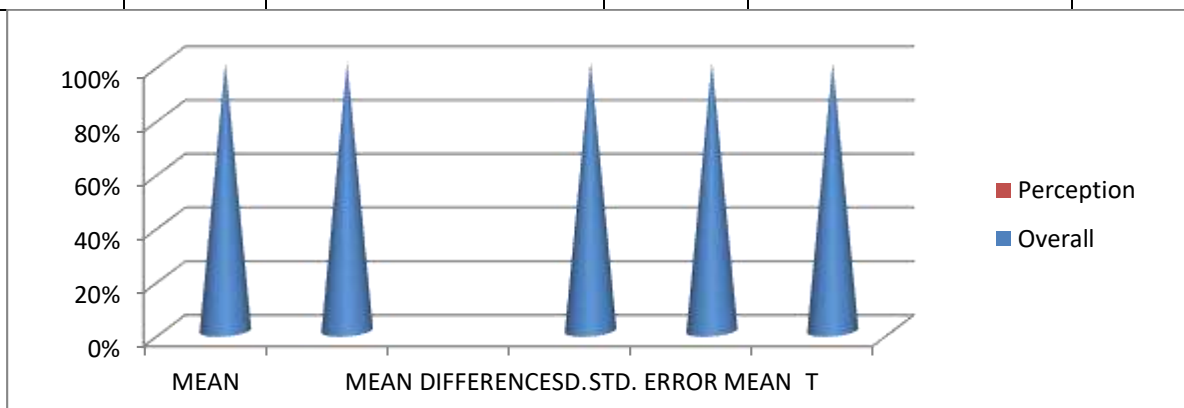
HOW DID YOU COME TO KNOW ABOUT PMJDY?	FREQUENCY	PERCENTAGE
PMJDY?	16	23
Banks	24	35
Newspaper	20	30
Media	2	3
Local Govt Bodies	6	9
Friends and Relatives	0	0
Radio	68	100.0
Total		



The above table highlights the PMJDY scheme source of awareness out of 68 respondents, 35% of respondents are known from the Newspaper, 30% of respondents are known from the Media, 23% of respondents are known from the Banks, 9% of respondents are known from the Friends and relatives and rest 3% of respondents are known from the Local Government Bodies.

TABLE NO 7
ONE-SAMPLE T-TEST (N=68, DF =67)

OVERALL PERCEPTION ABOUT THE DIGITAL WALLETS					
VARIABLE	MEAN	MEAN DIFFERENCE	SD.	STD. ERROR MEAN	T
Overall Perception	3.0118	.01176	1.01974	.12366	.0195



Test value=3 , at 95 percent confidence interval

The above table highlights the overall perception of beneficiaries about the PMJDY Scheme among respondents. The result of one sample t-test shows that mean =3.011, standard deviation=1.01974, t =.095, with 68 (n – 1) degrees of freedom 67 and p-value is .924 as result p-value is greater than. 05, so it is considered statistically insignificant. Hence, the null hypothesis is accepted and the alternative hypothesis is rejected. So it can be stated that there is a negative perception about the PMJDY Scheme among its beneficiaries.

FINDINGS OF THE STUDY

- The result shows that a majority of the respondents (82%) are male category of using PMJDY Scheme in the study area.
- The result shows that a majority of the respondents 94% are in the age group of 21 to 30 years.
- The study shows that 62% of respondents are salaried persons.
- The results of the study highlights that 57% of respondents from OBC category
- The study shows that 94% of respondents are unmarried and only 6% of respondents are married
- Almost 88% of the respondents were aware about PMJDY Scheme.
- From the t-test indicated that that there is a negative perception about the PMJDY Scheme among its beneficiariesl.
- 75% of respondents recommend others to use PMJDY accounts.

CONCLUSION

This study suggests that the private sector banks and regional rural banks should be promoted to open more PMJDY accounts because in this study area none of respondents not opened the account in private and Regional rural banks, rural area people that do not have access to these services. This study is conducted to know the level of awareness about the scheme among the general public. It also studies perception of account holders about the scheme by analyzing its usage and also the factors affecting the scheme. By introducing this scheme the government and RBI is able to bring a large number of people to formal financial channel and thereby helps in removing financial exclusion. The Pradhan Mantri Jan Dhan Yojana (PMJDY) was launched to eradicate the problem of financial exclusion in India. The basic objective of PMJDY scheme is to provide access to formal financial services to the vulnerable sections of the societyie.

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WEBSITES

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