



A Study of Pradhan Mantri Jan Dhan Yojana Beneficiaries Participation into Financial Products and Services of Selected Banks in Satara District

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Abstract:

The government has provided zero balance account facility, overdraft facility, life insurance and accidental insurance without any premium through Pradhan Mantri Jan Dhan Yojana. After the completion of 8 years of PMJDY scheme. The researcher has studied how, how much and in what parts the financial inclusion peoples have been involved in the various financial services offered by the bank. Researcher select the 11 public sector banks in satara district. Researcher has analyzed the respondents' participation into financial products and services according to bank with using statistical tool such as ANOVA.

Key Words: Financial Inclusion, Pradhan Mantri Jan Dhan Yojana, Beneficiaries, Public Sector Banks.

1. Introduction:

Indian is developing country. Day to day all the financial sectors are growing rapidly. Government took an initiative to financially weaker section peoples into the path of financial inclusion with the help of various schemes such as Pradhan Mantri Jan Dhan Yojana. The government is trying to bring the poor, unemployed and low income peoples into the flow of financial transactions of banks through financial inclusion. The purpose of the financial inclusion is to deliver the basic banking financial products and services at an affordable cost to the huge section of low income peoples. Financial inclusion provides the easy access of the financial services which bring them into the path of financial sector. Bank basically implemented the financial inclusion services as like the earlier government sponsored program.

2. Financial Inclusion:

Financial inclusion is an inclusive path where dependent and small income cluster of peoples have access to important and reasonable financial products and services that meet their



needs that are convey in reasonable way. Financial inclusion gives an opportunity to use the banks financial products and services in equal manner. Those that promote financial inclusion argue that financial services viewed as significant positive externalities when more people and firms get participate. First aim of financial inclusion is to get the available and access of banking financial services to the unbanked peoples. The financial services meets the specific needs of users without judgment is a key objective of financial inclusion. Financial inclusion is to provide equal opportunities to vast sections of population to access main flow of financial services for better income, government facilities, better life and living. Financial inclusion provides path for inclusive growth of inclusive peoples. It not only includes banking products but also other financial services such as loan, equity and insurance products.

3. Review of Literature:

C. Paramasivan et.al (2015) studied on Public Sector Banks Performance and Contribution on Pradhan Mantri Jan Dhan Yojana in India. They used the various criteria to analyze the public sector bank performance for the period of September 2014 to March 2015 such as number of account holders in rural and urban area, Rupay debit card provided by the banks, numbers of accounts opened under this scheme in a particular period, month wise total amount of bank balance of scheme beneficiaries'. They found that maximum numbers of no frills accounts were opened, maximum amounts were deposited under this scheme in this particular period. They suggested that Reserve Bank of India launch many more schemes for peoples but the awareness for that schemes is very low. They concluded that Jan Dhan Yojana is more useful for the Indian peoples for eradicating their poverty.

Rajeshwari M. Shettar (2016) made an attempted to study on Pradhan Mantri Jan Dhan Yojana: Issues and Challenges. In this research paper she focused on the present scenario of the Pradhan Manti Jan DhanYojana. For this purpose she studied the present situation, actual progress and challenges before Jan DhanYojana. Research is based on the secondary source of data. In her research she gives detailed information about the documents required for the opening of zero balance account. She also gives the basic information and action plan of the Jan Dhan Yojana. She collected all the regions wise such as Northern, North Eastern, Eastern, Western, Central and Southern account opening data. She concluded that by this Jan Dhan Yojana scheme



massive numbers of peoples opened their accounts under this scheme but there is challenge before government to keep accounts active.

Jaspreet Kaur et.al (2016) made an attempt to study on A Review Study on Pradhan Mantri Jan Dhan Yojana - A New Scheme towards Financial Inclusion. In this research paper they assess the past research papers literature to explore the financial inclusion and Pradhan Mantri Jan Dhan Yojana. For this purpose they studied the 30 numbers of research papers which is based on financial inclusion overview, current status and future vision. They also analyzed the Jan Dhan Yojana awareness into the respondents from various research papers. They found that only 35 percent peoples were access the banking services in India. They showed that there is continuously increasing trend into the users of ATM service in urban, semi-urban and rural area. They also revealed that the lack of awareness, lack of information, low outreach, and negligence of urban poor, low education level in stakeholders, high transaction cost and fraud into the financial inclusion system. They also highlighted that progress level of financial inclusion and the awareness level of the customers. From this study they concluded that only peoples of the UP states where peoples are more aware and more satisfied with the Jan Dhan Yojana. They suggested that Reserve Bank of India and commercial banks need to organize the proper training campaign to educate the customer about the various schemes of financial inclusion.

Rajat Deb et.al (2016) conducted research on Perceptions of Bank Account Holders about PMJDY – A Study of Baikhora Region of South Tripura. The prime objectives of this research to find respondents demographic profile such as gender, level of income, level of education, marital status and savings has impact on to open an account under Jan Dhan Yojana. He also analyze the customers service expectations, prime and secondary benefits of bank account persuade to open an account under Jan Dhan Yojana. He found that gender of the respondents made an impact on to open and bank account. Also respondent's higher income, marriage and service expectations are positively affected and respondents' age and level of education is negatively affected to open an account under Prime Minister Jan Dhan Yojana.

4. Objectives of Study:

1. To measure the Pradhan Mantri Jan Dhan Yojana beneficiaries participation into financial products and services according to bank.



2. To suggest the remedies to improve the participation into financial products and services of bank.

5. Hypothesis of Study:

H0: There is no significant difference in beneficiaries' level of participation into financial products and services according to bank.

H1: There is significant difference in beneficiaries' level of participation into financial products and services according to bank.

6. Research Methodology:

This study is an analytical and descriptive in nature, Researcher analyzed the respondents' participation into financial products and services of public sector banks in Satara district. Study measures the relationship between bank and the services provided by the bank.

6.1 Sampling Method and Sample Size:

There are 708991 account holders' from the study area were opened their account under Pradhan Mantri Jan Dhan Yojana, out of that according to the Taro Yamanes formula, 483 accounts holders are selected for the study purposes by using non – probabilistic convenience sampling method. Below table showing the bank wise total account holders' and selected sample respondents of bank.

Table No: 1

Sr.No	Bank Name	Total PMJDY Account Holders	Selected Respondents
1	Bank of Baroda	69322	39
2	Bank of India	112028	63
3	Bank of Maharashtra	345157	195
4	Canara Bank	19518	20
5	Central Bank of India	11443	16
6	Indian Bank	2326	15
7	Indian Overseas Bank	1838	15
8	Punjab National Bank	4750	15
9	State Bank of India	124368	70
10	UCO Bank	1472	15
11	Union Bank of India	16769	20
Total		708991	483

Source: Bank of Maharashtra (Lead Bank) Quarterly Report on 30.09.2021.



6.2 Method of Data Collection:

To fulfil the objectives of the research, researcher used both the primary and secondary source of data in research. For primary data collection a structured questionnaire were developed and filled by the respective bank respondents.

Secondary source of data such as research papers, official website of department of finance Ministry and Pradhan Mantri Jan Dhan Yojana were used for the related theoretical and numerical data.

7. Testing of Hypothesis:

To measure the beneficiaries according to banks. The researcher has use categorical data Such as ---

Sr.No	Categorical data According to banks	Frequency
1	Bank of Baroda	39
2	Bank of India	63
3	Bank of Maharashtra	195
4	Canara Bank	20
5	Central Bank of India	16
6	Indian Bank	15
7	Indian Overseas Bank	15
8	Punjab National Bank	15
9	State Bank of India	70
10	UCO Bank	15
11	Union Bank of India	20
Total		483

For the measure the beneficiaries' level of participation into financial products and services researcher has set 12 variables.

Table No: 2

Sr.No	Selected Variables beneficiaries' level of participation
1.	Have you participated in the term deposits schemes?
2.	Have you participated in the recurring deposits schemes?
3.	Are you participating in bank current account?
4.	Are you participating in the home loans schemes'?



Sr.No	Selected Variables beneficiaries' level of participation
5.	Are you participating in the vehicle loan schemes?
6.	Are you taken the gold loan schemes from your bank?
7.	Are you taken the personal loan from the bank?
8.	Are you participating in the life insurance schemes of bank?
9.	Are you participating in the general insurance schemes of bank?
10.	Are you participating in the mediclaim insurance schemes of bank?
11.	Are you participate in net banking and mobile banking service
12.	Are you using the mobile wallets for your account?

The researcher has collected data about bank (categorical data) is independent and level of participation are dependent variable. After that researcher has calculated mean value for 12 variables about level of participation, then researcher has applied one way ANOVA.

Table No: 3

ANOVA Between level of participation according to Banks

V2 (Banks)	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.041	10	0.204	7.139	.000
Within Groups	13.496	472	0.029		
Total	15.537	482			

The above table data indicates that difference between ANOVA between level of participation according to banks. There is means square value of between the groups is 0.204 and within group is 0.029. Calculated F value is 7.139. It is observed that P value (0.00) is less than level of Significance (0.05) hence the null hypothesis is rejected H_0 : There is no significant difference in beneficiaries' level of participation into financial products and services according to bank.