



A STUDY ON PRADHAN MANTRI JAN DHANYOJANA -AN OPINION SURVEY WITH SPECIAL REFERENCE TO CUSTOMER OF BANKS IN THANJAVUR DISTRICT

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INTRODUCTION

PradhanMantri Jan DhanYojana (PMJDY) is a social upliftment scheme which aims to bring the millions of excluded Indian people in the main financial stream through financial inclusion, a subject of national priority for the present NDA Government. Hon'ble Prime Minister, Sh. NarendraModith on 15 August, 2014 announced "**PradhanMantri Jan-DhanYojana (PMJDY)**" which is a National Mission for Financial Inclusion. The task is gigantic and is a National Priority.

The **PradhanMantri Jan-DhanYojana** will be launched on 28 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 sub-district levels. Camps are also to be organized at the branch level. The PradhanMantri Jan-DhanYojana lies at the core of development philosophy of "Sab KaSath Sab KaVikas". 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.

OBJECTIVE OF PMJDY SCHEME

Objective of "**PradhanMantri Jan-DhanYojana (PMJDY)**" is ensuring access to various financial services like availability of basic savings bank account, access to need based credit, remittances facility, insurance and pension to the excluded sections i.e. weaker sections & low income groups. This deep penetration at affordable cost is possible only with effective use of technology.

BENEFITS OF PMJDY SCHEME

- Interest on deposit.
- Accidental insurance cover of Rs.1.00 lac
- No minimum balance required.
- Life insurance cover of Rs.30,000/-
- 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.
- Accidental Insurance Cover, RuPay Debit Card must be used at least once in 45 days.
- Overdraft facility upto Rs.5000/- is available in only one account per household, preferably lady of the household

PRADHANMANTRI JAN DHANYOJANA ACCOUNT ELIGIBILITY CRITERIA

- An individual who holds an Indian nationality is eligible to open an account under this scheme.
- A minor who is above 10 years of age is eligible to open the account in any bank under this scheme. He will need to have a guardian to manage the account along with him. He will also be eligible for a RuPay Card on which one can withdraw 4 times from any ATM.



- An Individual who does not hold any valid documents to prove that he is an Indian national but after the bank does their ground research and categorizes the person into “low risk” is eligible to open the account under this scheme.
- An individual who has any identity proof authorized by any gazette officer is eligible to open the account under this scheme.
- An individual who has an existing bank savings account with the bank can transfer his account to PradhanMantri JanDhanYojana account so he is eligible for the benefits from that account.

SIX PILLARS OF PRADHANMANTRI JAN DHANYOJNA

PMJDY to be executed in the Mission Mode, envisages provision of affordable financial services to all citizens within a reasonable distance.

It comprises of the following six pillars

a. Universal access to banking facilities

Mapping of each district into Sub Service Area (SSA) catering to 1000-1500 households in a manner that every habitation has access to banking services within a reasonable distance say 5 km by 14 August, 2015. Coverage of parts of J&K, Himachal Pradesh, Uttarakhand, North East and the Left Wing Extremism affected districts which have telecom connectivity and infrastructure constraints would spill over to the Phase II of the program (15 August, 2015 to 15 August, 2018).

b. Providing Basic Banking Accounts with overdraft facility and RuPay Debit card to all households

The effort would be to first cover all uncovered households with banking facilities by August, 2015, by opening basic bank accounts. Account holder would be provided a RuPay Debit Card. Facility of an overdraft to every basic banking account holder would be considered after satisfactory operation / credit history of six months.

c. Financial Literacy Programme

Financial literacy would be an integral part of the Mission in order to let the beneficiaries make best use of the financial services being made available to them.

d. Creation of Credit Guarantee Fund

Creation of a Credit Guarantee Fund would be to cover the defaults in overdraft accounts.

e. Micro - Insurance

To provide micro- insurance to all willing and eligible the persons by 14 August, 2018, and then on an ongoing basis.

f. Unorganized sector Pension schemes like Swavalamban

By 14 August, 2018 and then on an ongoing basis.

Under the mission, the first three pillars would be given thrust in the first year.

Review of Literature

According to **Smt. Nirmala Sitharaman**, MoS (IC) for Commerce & Industry and MoS for Finance & Corporate Affairs “Financial Inclusion is an important priority of the Government as it is an enabler for inclusive growth. The main objective of the Yojana is to ensure universal access to banking facilities with at least one basic banking account for every household.”

According to **Shri Narendra Modi** Hon’ble Prime Minister of India “Inclusive Growth – “**Sab KaSath Sab KaVikas**” is central to our development philosophy. This Mission would enable all households, urban and rural to gain easy and universal access to financial services. Exclusion from the banking system excludes people from all benefits that come from a modern financial system. In this Mission, households will not only have bank accounts with indigenous RuPay Debit cards but will also gain access to credit for economic activity and to insurance and pension services for their social security. I am happy to note that the Mission has a strong focus on the use of technology and incorporates lessons learnt from earlier efforts.”

According to **Shri Arun Jaitley** Minister of Finance, Corporate Affairs and Defence **PradhanMantri Jan-DhanYojana** as a National Mission on Financial Inclusion to provide all 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. The necessity of launching such a mission was felt in view of the fact that less than two-thirds of the households in the country have access to banking facilities even after 67 years of independence. The Mission seeks to provide all households in the country, both rural and urban, with access to the financial services, like bank account with RuPay Debit card, access to credit, remittance, Insurance

& Pension. Thus, the Mission not only brings the excluded sections into the financial mainstream but makes the transfer of benefits of various subsidy schemes of the government more efficient.

According to **Indian institute of banking and finance**, “financial inclusion is delivery of banking services at an affordable cost ('no frills' accounts,) to the vast sections of disadvantaged and low income group. Unrestrained access to public goods and services is the sine qua non of an open and efficient society. As banking services are in the nature of public good, it is essential that availability of banking and payment services to the entire population without discrimination is the prime objective of the public policy.”

According to **Dr. K.C.Chakrabarty**, Deputy Governor, Reserve Bank of India, financial Inclusion is the process of ensuring access to appropriate financial products and services needed by all sections of the society in general and vulnerable groups such as weaker sections and low income groups in particular at an affordable cost in a fair and transparent manner by mainstream institutional players.

OBJECTIVE OF THE STUDY

1. To know about people opinion in PMJDY scheme.
2. To know about basic awareness of PMJDY scheme.
3. To identify people interest to open the PMJDY account.

STATEMENT OF THE PROBLEM

The study was design to analyzed the impact of PMJDY scheme and success PMJDY scheme in various aspects of social life, economic development and banking awareness.

Hypothesis of the study

1. It is likely to say the social media play a vital role in success of PMJDY scheme.
2. It is likely to say the PMJDY scheme is creating awareness of insurance and it's importance.
3. It is likely to say the PMJDY scheme is creating awareness of insurance and it's importance.

Table 1: Distribution of the respondents based on mean and standard deviation with respect of PMJDY scheme

S.No	Factors	Mean	STD.Deviation
1	Eligibility criteria to open PMJDY account	2.40	1.212
2	Benefits of accidental insurance coverage	1.00	.000
3	Main advantage of the PMJDY account	1.80	.756
4	Transfer existing account to PMJDY account	2.20	1.088
5	Type of bank	2.00	1.010
6	Overdraft facility in PMJDY account	1.60	.495
7	Saving awareness	2.40	1.030
8	Refer this scheme to other person	1.30	.463
9	Country development	2.50	1.035
10	Benefits of RuPay card	1.70	.789
11	Satisfaction in PMJDY account	1.50	.678

Based on the mean score economic development (**2.50**) is the most important factor responsible for PMJOY scheme. Followed by it is help to create saving awareness (**2.40**) of the people in the country. And all the people know about eligibility criteria to open PJDYA account (**2.40**). The Most of the people transfer their existing account to PJDYA account (**2.20**). The people are maintain regular saving and get added advantage of RuPay card and zero balance facility (**1.80**). Most



of the people are satisfied the RuPay card facility (**1.70**) and also they get overdraft facility in PJDYA account (**1.60**). Low level and middle level economic people are satisfied in the PJDYA account (**1.50**).The accidental insurance coverage is another added advantage of this scheme (**1.00**).

CONCLUSION

The PMJDY scheme help to support banking and other Financial Institutions, private service providers and citizens. The PMJDY scheme to provide all households in the country, both rural and urban, with access to the financial services, like bank account with RuPay Debit card, access to credit, remittance, Insurance & Pension. This mission help to achieving sustainable economic development.

This mission is mainly focus to improve the weaker sections of society, including women, small and marginal farmers and labours, both rural and urban.

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