

Financial Inclusion of Women in Slums in Chandigarh through Pradhan Mantri Jan Dhan Yojna

Ajit Bansal, Pranav Aggarwal, Manpreet Singh and Ramgopal

Abstract--- *The main decisive constriction for overall and sustainable development of economy is that a large number of unprivileged and poor people don't have access to recognized financial system of the nation. Thus for achieving goal of sustainable economic development and for being economic super power, financial inclusiveness has been given due importance by economists and policy makers. Pradhan Mantri Jan Dhan Yojana (PMJDY) is launched by Honorable Prime Minister of India, Shri Narendra Modi on 28th August, 2014. The critical goal of scheme is to offer admittance to banking system including zero balance saving bank a/cs, overdraft facility u to Rs.5000/-, RuPay debit card with accidental indemnity cover and RuPay Kisan Card. The key objective of this research is to examine the standing of fiscal involvement of females in slums of Chandigarh after five and half years of formal launch of the said scheme. A survey was conducted during November 2019- December 2019 covering all slum areas of UT Chandigarh by administering a questionnaire on 150 respondents. The examinations revealed that women from slums have linked official banking procedures independently of their edification level, owing to awareness regarding PMJDY. It is also observed that still money lenders are part of financial system.*

Keywords--- *Financial Inclusion, Sustainable Development, Banking System, Financial Inclusiveness, PMJDY, Slum Areas.*

I. INTRODUCTION

The ILO declaration of Philadelphia (1944) declared that “poverty anywhere is a threat to prosperity everywhere”. The objective of sustainable economic development can only be achieved when less privileged & below poverty line groups join the mainstream economy. Inclusive finance is providing access to financial system & services. PMJDY launched in India since Aug 28, 2014, has provided access to 38.22 crore beneficiaries within a period of 5 years. At present financial advice in these areas are provided by one lakh twenty six thousand banking correspondents.

Till now beneficiary accounts have balance of Rs. 1,17,15.50 crore in PMJDY, one of biggest financial inclusion initiatives in world aims to provide households zero balance accounts with RuPay cards. They attempted to gave the computerized information likewise to the individuals of country zones by giving them the Rupay cards which are charge cards.

The objective of scheme was to enabling poor people and little by offerereng them decision and opportunity and to give all inclusive access to banking offices beginning with essential sparing record with an overdraft upto

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Rs.5000/- subject to agreeable activity in represent a half year and RuPay check card with inbuilt mishap protection front of Rs.1,00,000/-.

Table 1: PMJDY Beneficiaries as on 04/03/2020 (Rs in Cr.)

<i>Bank Name / Type</i>	<i>No of Beneficiaries at rural / semiurban centre bank branches</i>	<i>No of Beneficiaries at urban metro centre bank branches</i>	<i>No of Rural-Urban Female Beneficiaries</i>	<i>No of Total Beneficiaries</i>	<i>Deposits in A/cs</i>	<i>No of Rupay Debit Cards issued to beneficiaries</i>
PSB	16.42	14.01	16.06	30.43	92564.43	24.47
RRB	5.43	1.1	3.68	6.54	21221.36	3.58
Pvt SB	0.7	0.56	0.67	1.26	3229.7	1.15
Total	22.55	15.67	20.42	38.22	117015.5	29.2

Source: www.pmjdy.gov.in

Slums are illegal human settlements on open land and usually build over a period of time. Ghettos are increasingly popular in metropolitan stations, but they also slowly emerge in various impoverished communities in India. One of India's best developed urban areas is Chandigarh in the nation's northwest, which is beset with ghettos in its suburbs as well. Several massive colonies are located at UT Chandigarh, such as Colony No4, Janta Colony, Guru Sagar Colony in Maloya, Sanjay Colony, Phase 1 Industrial Area & Sector 38 Rajiv Colony. These slum dwellers number about one lakh out of Chandigarh's total population of 10.6 lakh as per the 2011 Census.

Table 2: PMJDY A/c opening status at Chandigarh

<i>S. No</i>	<i>Beneficiaries at rural/semi-urban centre bank branches</i>	<i>Beneficiaries at urban/metro centre bank branches</i>	<i>Total Beneficiaries</i>	<i>Balance in beneficiary accounts (in crore)</i>	<i>No. of RuPay cards issued to beneficiaries</i>
1	40,727	2,12,924	2,53,651	119.99	1,87,112
2	40,727	2,12,924	2,53,651	119.99	1,87,112

Source:www.pmjdy.gov.in

Table 3 shows residents of slum in the UT of Chandigarh, J& K, Punjab & Haryana. It is found that, 9.7 % residents' lives in slums in UT Chandigarh itself. It is a hard fact that after seventy three years of independence large number of slums dwellers are living in peripheral and industrial areas without basic amenities. It is found that literacy rate in slums is very less.

Table 3: In 2001-11 Slum Density in Northwestern State

<i>States/UT</i>	<i>2011</i>		
	<i>Total residents</i>	<i>% to Urban Populace</i>	<i>Percentage of SC residents in the slums</i>
Haryana	16,62,305	37.3	29.9
J & K	6,62,062	19.4	1.7
Punjab	14,60,518	26.9	39.8
Chandigarh	95,135	9.7	30.7

Source: Census of India 2011.

II. LITERATURE REVIEW

Kashyap Tandraleem & Borman Ratan (2019) highlighted on importance of ecological factors in appreciating monetary potential of beneficiaries under PMJDY in Nalbari district of Assam. The authors also studied factors which may act as barrier while assessing financial capability.

Bhatia & Singh (2018) examined monetary strengthening of females in ghettos in Ludhiana & observe that females in ghettos have connected official managing an account scheme and opened bank a/cs beneath Jan Dhan Scheme. It was also found that there is sound awareness regarding the scheme. It is shocking that still informal financing channels like money lenders are still in the race.

Singh & Naik (2018) have chosen the sample of 209 respondents with no proper edification and examined the perception and scope of PMJDY in Karnataka. The researcher concluded that schemes like insurance, pension etc are yet to be explored to their full extent by rural habitants.

Vedala Naga Sailaja and Dr. Uma Maheswara Rao (2018) have studied the progress made by PMJDY. The authors observed that, PMJDY scheme has been successful in shaping a positive outcome in the banking sector regarding abolition of financial insatiability in nation. The plan is wholly useful to countryside and metropolitan region population in realizing government monetary services straightforwardly.

Singhal (2016) studied the awareness level of PMJDY in Kurukshetra District of Haryana. He establish that there are scores of causes in support of opening saving accounts under this program like zero-balance account, ATM and so forth. That very transformation will also be extremely helpful in monitoring the spillage of subsidies.

Prof Srilatha (2015) Although most nations have a family level pay and use overview which may remember a few inquiries for budgetary access, these studies gather an expansive scope of family data, and once in a while give enough insight regarding money related consideration to be sufficient. Besides, family unit reviews are costly, and by and large just completed like clockwork.

Aiyar (2014) declares that monetary consideration requires supported endeavors for quite a while, with an accentuation more on quality as opposed to speed. By moving the concentration to money moves, the monstrous lethargic records could likewise be actuated after some time. In like manner, the structure of the plan needs a move of spotlight so as to convey on the targets.

Chopra (2014) described the currency integration system as having reasonable goals and solving a few systemic problems. In his view shoppers should be knowledgeable about the influence of financial balances and their privileges to overdraft offices, protection, and so on., in any case middle people will exploit the cash proposed for them.

Tewari (2014) calls attention to three essential concerns with respect to the Rupay check cards—a basic segment of the plan. It would be better to rely more note worthily on online biometric exchanges via the BC model.

III. RESEARCH METHODOLOGY

a) Rationale and Objectives of the Study

The basic intention of financial inclusion is to include last ladder of economic groups of society into main stream and increase their faith in banking system of the country. The goal is also to offer financial services and products economically so that they can be accessible and affordable to all individuals irrespective of their economic status.

The aim is also to increase the awareness level of residents of country regarding financial products and banking system so that they can avail them and cannot be exploited by private money lenders. The study under question is an attempt to check if financial inclusion can increase standard of living of women residing in urban slum areas.

The below mentioned are the main objectives:

1. To examine the demographic profile of urban slum dwellers in Chandigarh.
2. To critically appraise the awareness about PMJDY among women in slums in Chandigarh.
3. To find out the factors stirring admittance to monetary merchandise and services.

b) Hypothesis

H1: There is no noteworthy correlation between accepting significance of banking services and knowledge with reference to PMJDY.

H2: There is no correlation for factors stirring admittance to monetary merchandise and services.

c) Research Design

For achieving the above mentioned research objectives descriptive research design is applied. It helps in unfolding different ingredients related to Jan Dhan Scheme and helps in appraising the condition of knowledge about the scheme among women in slums in Chandigarh. The data for research has been collected by well structured questionnaire. It is analysed by using SPSS.

d) Sampling Method & Sample Size

In the current study 200 respondents are contacted for exploring the desired information and out of this 150 samples are considered for the study. Non-probabilistic convenience sampling method was used for conducting the study. Random sampling was done in UT Chandigarh during Jan 2020.

e) Type and Sources of Data

For collecting information relating to PMJDY and different other schemes of central government secondary data have been used where as for studying the demographic profile of urban slum dwellers in Chandigarh and for appraising the awareness about PMJDY among women in slums in Chandigarh primary data has been collected.

IV. DATA ANALYSIS

With the intention of achieving research objectives the data is analyzed with the help of SPSS. We utilized cross tabulation for examining the supplementary data. We used chi-square tests to explain the outcome of cross tabulation for the inferential statistics.

Table no 4 indicates that 67% of women in slum are working in private sector, 54% are working full time and 48% of them are wage earners. 5% women are self-employed & they have opened small grocery shops, daily need store, vegetable shops, beauty parlors etc.

Table 4: Analysis of Employment Profile of Women in Slum

<i>Employment Details</i>		<i>Women (%)</i>
Sector	Public	3
	Private	67
Type of Employment	PT	19
	FT	54
Type of Labour	Regular	24
	Wage earner	48
	self employed	5
	Casual	27

Fig 1 indicates that 24% of women are illiterate, 65% women have completed their education from matriculation onwards up to senior secondary level. 15% women have done some vocational courses like beautician, tailoring etc.

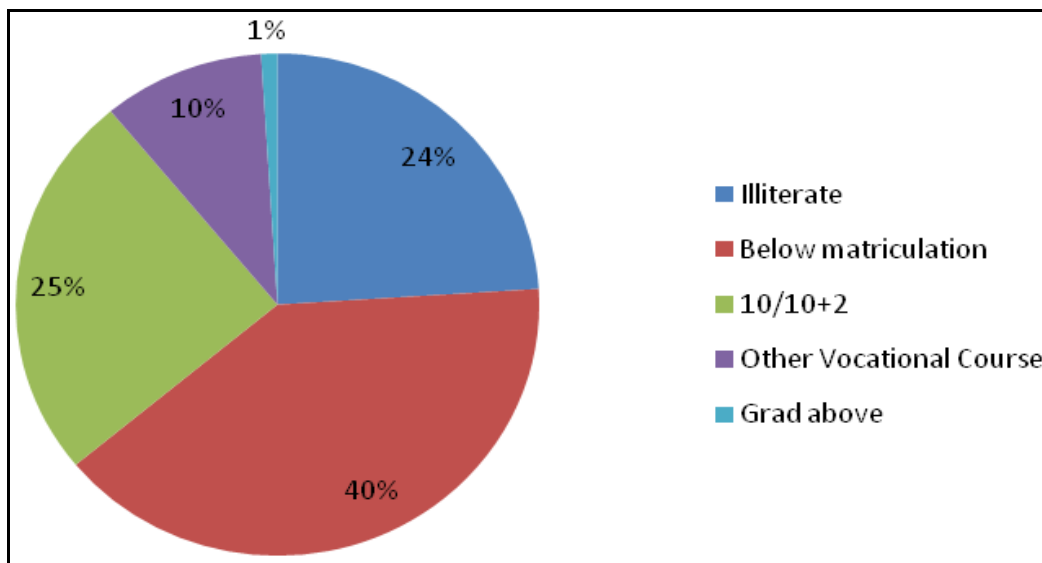


Fig. 1: Analysis of Educational Sketch of Women in Slums

Table No 5 indicates that 25% of women in slums have up to 2 family members and 63% of women have 3 to 6 family members which are alarming.

Table 5: Analysis of Sketch of Res as per Family Members

<i>Total Family Members</i>	<i>Frequency</i>
Up to 2 members	25%
3 to 6 members	63%
7 & above	12%

As far as knowledge about scheme in question is concerned it is evident from Fig 2 that 85% of the slum women were aware of the scheme and out of them 75% have opened accounts. It is also interesting to note that 51% slum females do have their saving bank accounts even prior to this scheme. It shows that approx 24% females residing in slum areas of UT Chandigarh have opened their bank accounts post PMJDY.

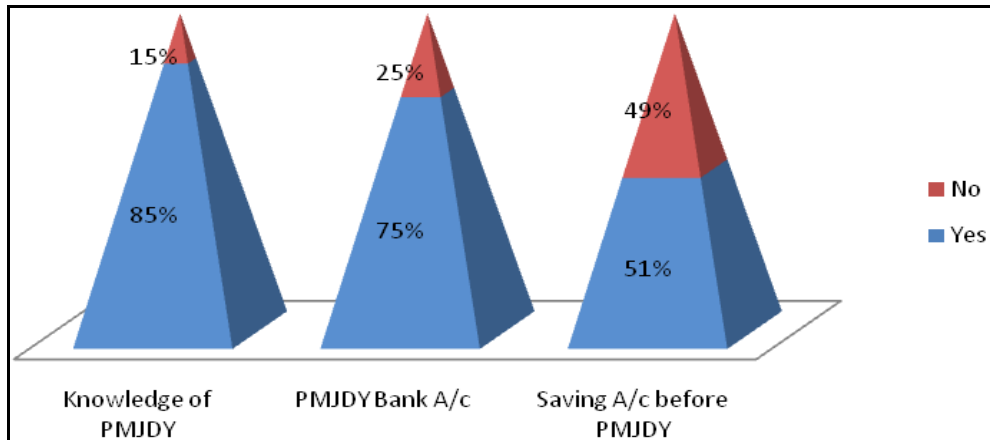


Fig. 2: Knowledge & Opening A/C Under PMJDY

It is clearly evident from Fig 3 that in most of cases i.e. 36% only one member does have his account under the scheme, followed by two members (29%) and three members (13%). In 17% cases no one in the family do have their bank account in the scheme.

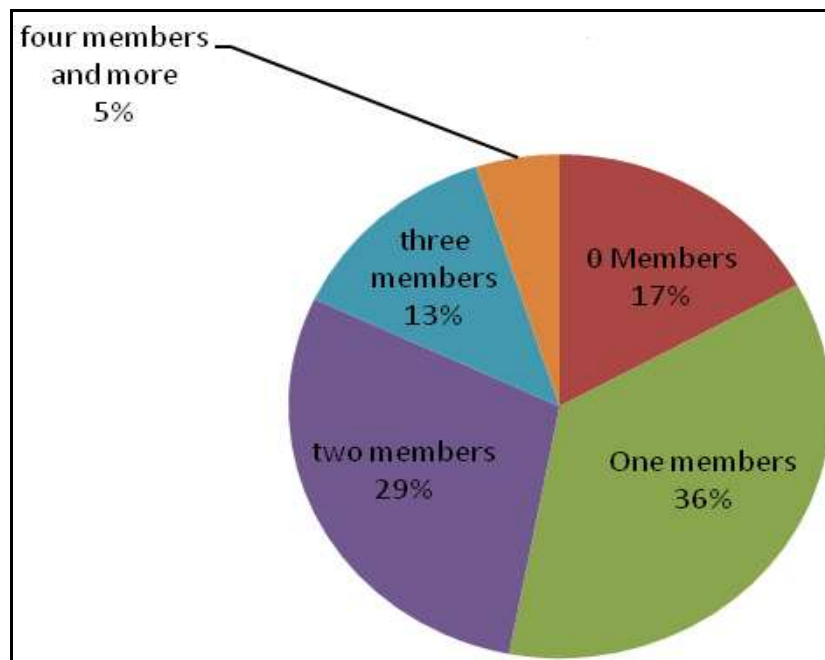


Fig. 3: PMJDY A/c per Family

Further when reason for not opening any bank account was explored it was found that maximum slum females falling under this category (37%) don't have sufficient money, followed by 20% don't trust banking system. It was also found that 12% females couldn't provide kyc documentation, 13% couldnt open bank accounts as branches are far away situated from their native place and they cant commute easily. It is a question mark on our banking system that even after so many years of nationalization of banks we couldnt be able to develop our trust in the minds of consumers.

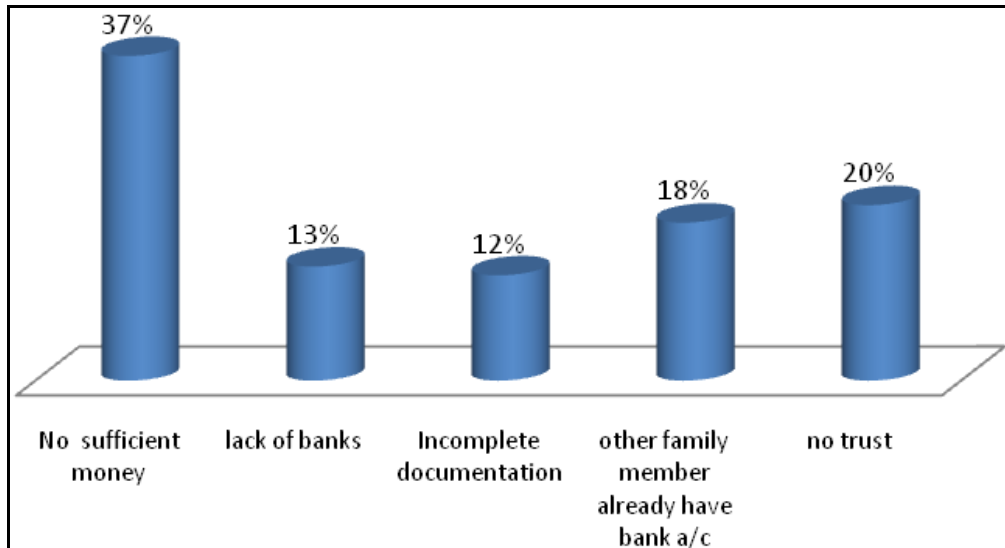


Fig. 4: Causes for not Opening Bank A/c

It is quite evident from Fig 5 that main source of knowledge regarding PMJDY is bank correspondents (37%) followed by media 33 % and post office, self help group and employer 13%, 11% and 6% respectively. Government should launch more financial literacy campaigns to spread awareness of financial products among females of slum areas.

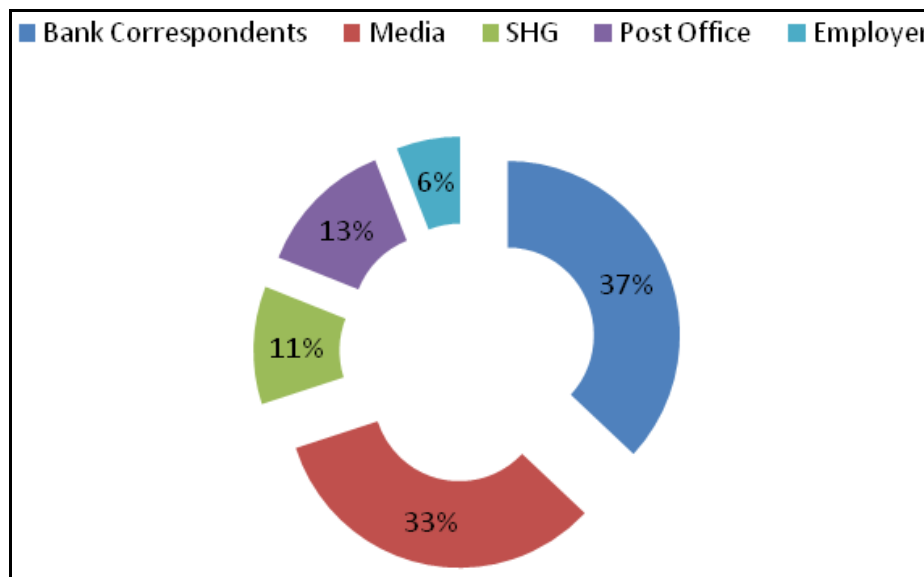


Fig. 5: Sources of Knowledge Reg PMJDY

In case of financial products it is usually noted that it is easy to sell bank accounts but it is comparatively tough to motivate people to use them. PMJDY is also not an exception. It was found that majority of the females in slums 25% have not used their bank accounts, followed by 30% quarterly, 27% monthly and & 7% rarely. For overall success of the scheme frequent use of bank accounts is a must and hence significant steps should be taken by authorities to improve upon this.

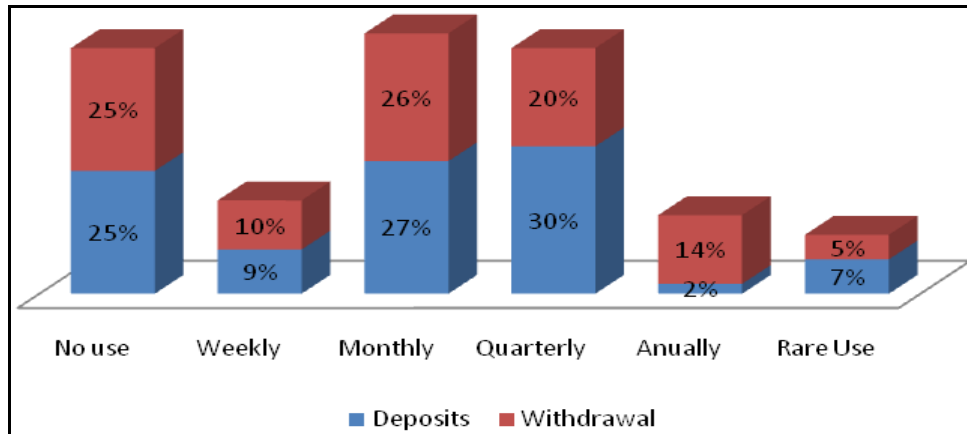


Fig. 6: Frequency of Using PMJDY A/c

The accomplishment of PMJDY scheme was also checked by going through opinion of women in slum areas and interestingly it was found that 85% of females consider it as a success. The major reason for this is huge increase in number of accounts under this scheme in recent years. (Table 6).

Table 6: Opinion of Women about PMJDY

Opinion	Women
Total Failure	0%
Low Success	15%
Moderate Success	68%
Huge Success	17%

Testing of Hypothesis

Correlation between Accepting Significance of Banking Services and Level of Knowledge with Reference to PMJDY

H1: There is no noteworthy correlation between accepting significance of banking services and knowledge with reference to PMJDY.

Knowledge with reference to PMJDY	Knowledge about significance of banking services			
	Not valuable	Fairly valuable	Very valuable	Total
Complete knowledge	17	13	7	37
moderate Knowledge	9	30	20	59
no knowledge	11	21	22	54
Total	37	64	49	150

Chi-Square Test			
	Value	Df	Asymp. Sig (2 sided)
Pearson Chi-Square	9.910 ^a	4	0.042
Likelihood Ratio	9.427	4	0.051
legitimate cases	150		

a. 0 cells (.0%) have probable tally fewer than 5. The least probable tally is 6.44.

It is quite evident from above analysis that since P value is less than 0.05, the null hypothesis is rejected. Therefore it can be inferred that there is a important association between accepting banking services relevance and information level with respect to PMJDY.

Fig 7 depicts the factors stirring admittance to monetary merchandise and services. The by and large mean score of the variable relating to the factors stirring admittance to recognized monetary merchandise and services is 2.48. It indicates that maximum respondents are of the view that they are facing some problems in consuming monetary commodities including services.

For this reason it is a suggestion for the policy makers to focus more on for the banking industry and to resolve the problems and issues faced by the customers at large while using financial merchandise.

Fig. 7: Factors Stirring Admittance to Monetary Merchandise and Services

	<i>N</i>	<i>Mean</i>	<i>Std Dev</i>
High business	150	2.61	0.87
low return	150	2.61	0.87
no amiable bank	150	2.41	1.05
dearth of collaboration	150	2.6	0.87
undue legal policy	150	2.61	0.87
No pledge	150	2.42	1.06
No awareness about monetary commodities	150	2.41	1.06
No adjacent finance companies	150	2.42	1.05
dearth of confidence	150	2.41	1.06
No impressive commercial	150	2.4	1.04
lack of documentation	150	2.41	1.05
time exhausting	150	2.51	0.85
not customer friendly	150	2.42	1.05
no fund to transact	150	2.43	0.71
unsafe transactions	150	2.51	0.85

V. CONCLUSION

The results of the study have disclosed that as a financial inclusion strategy, PMJDY has been triumphant, especially when we talk about women in slums of UT Chandigarh. It is the impact of financial awareness programmes launched by different govt authorities that in spite of low literacy rate, respondents have not only opened the accounts under the scheme but they are using them as well. Monetary literacy and economic inclusion are balancing to each other. Without monetary literacy, economic inclusion vestiges limited to opening up of bank accounts only. It is recommended that efforts should be made for educating bank representatives so that scheme can be used to its full potential. It is equally appealing to note that financial brokers keep playing a crucial role as an intermediary in property. It is further concluded that for accomplishing the target of money inclusion and to realize complete advantages of PMJDY extra efforts are required.

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