

**A STUDY ON THE AWARENESS ON FINANCIAL INCLUSION
SCHEMES AMONG DIFFERENT RELIGIOUS COMMUNITIES WITH
SPECIAL REFERENCE TO AREEKODE GRAMA PANCHAYATH**

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ABSTRACT

A strong financial sector required for the growth, development and stability of a nation. So, financial inclusion is relevant to achieve inclusive growth of an economy. Financial Inclusion defined as universal access to a wide range of financial services at a reasonable cost. This paper is an attempt to study the level of awareness about financial inclusion schemes among different religious communities in Areekode grama panchayath. The sample evidence shows that PMJDY is the most popular financial inclusion scheme among all communities.

Keywords: Financial inclusion, Inclusive growth, Financial awareness, Financial inclusion schemes.

INTRODUCTION

RBI defined financial Inclusion as “the process of ensuring access to financial services, timely and adequate credit for vulnerable groups such as weaker sections and low-income groups at an affordable cost”. It is a new paradigm of economic growth that plays major role in driving out the poverty from the country and it is important priority of the country in terms of economic growth and advances of society. It enables to reduce the gap between rich and poor population. Financial inclusion, well promoted in the wider context of economic inclusion which can uplift financial conditions and improve the standards of lives of the poor and the disadvantaged people. Access to affordable financial services lead to increase economic activities and employment opportunities for rural households with a possible multiplier effect on the economy. It could enable a higher disposable income keeping in the hands of rural households leading to save more

and increase the deposit base of banks and other financial institutions, results a wider allocation of resources from surplus sector to deficit sector especially for the investment requirements of productive sectors. Access to affordable financial services enable the government to provide social development benefits and subsidies directly to the beneficiary's bank accounts, there by reducing leakages and pilferages in the social welfare schemes. The government of India has taken lots of steps to ensure financial inclusion and there by introduced several schemes such as Pradhan Mantri Jan Dhan Yojana, Pradhan Mantri Mudra Yojana, Stand Up India scheme ,Pradhan Mantri Jeevan Jyoti Bima Yojana, etc.

Financial inclusion support over all economic growth and the achievement of broader development goals. Financial inclusion offers wide range of benefits such as Improving earning potential, enhanced women empowerment by encouraging women entrepreneurs, reduction in the costs of transactions, easy accumulation of funds, increased use of digital platforms etc. Financial inclusion and financial literacy are twin pillars. Financial inclusion provides access to financial products and services and financial literacy ensures awareness about these products and services. While financial inclusion acts from supply side providing the financial products and services that people demand at the same time financial literacy stimulates the demand side that making people aware of what they can demand. There are several implementation and operational problems related with the financial inclusion schemes. Most of the people are financially excluded from the banking and other financial services in India. In the case of Muslim community some of their beliefs and practices hinder financial inclusion, primarily due to certain group's preferences against some commercial financial products. So it is very essential to study the awareness on financial inclusion and the schemes for financial inclusion introduced by the government among the local people.

OBJECTIVE OF THE STUDY

To study the awareness about financial inclusion schemes among the sample respondents.

METHODOLOGY

The study is exploratory in nature and it is based on both primary and secondary data. Structured questionnaire has used to collect primary data from the sample households living in Areekode Grama Panchayath. Secondary data is collected from the journals and reports published by the government and non-government bodies. Some of the information has been collected from websites also. The study is carried out by 75 samples collected from Areekode Grama panchayath as primary data. Both random and non-random sampling methods have used to collect data from the households. The total 75 samples are evenly distributed among Hindus, Muslims and Christian as same proportion, there for 25 response taken from each religion.

REVIEW OF LITERATURE

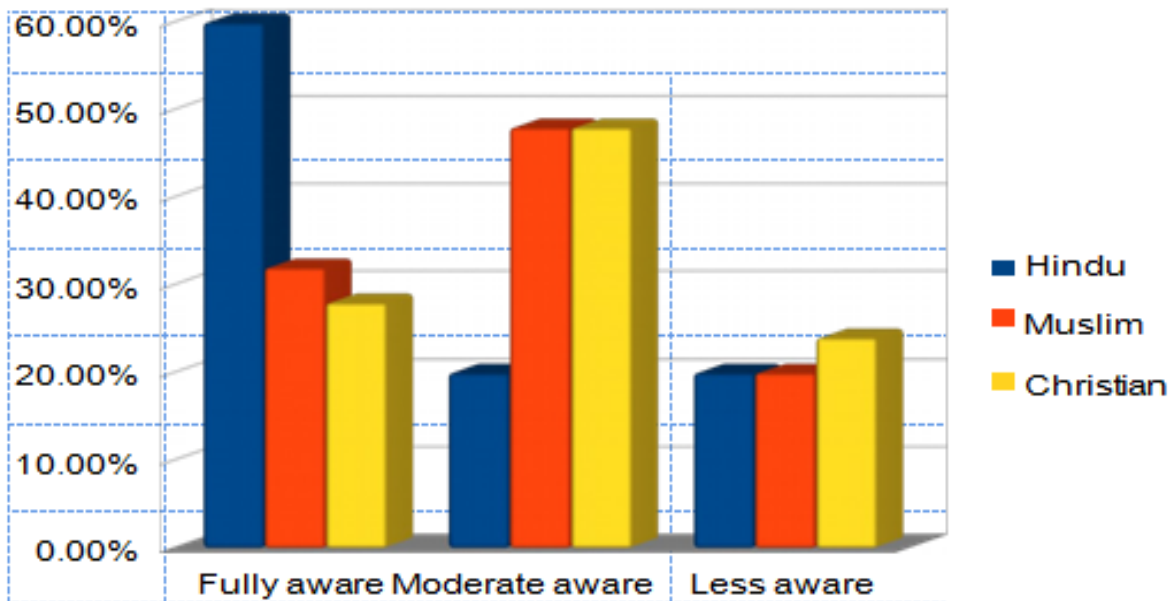
Jayalakshmi and Ganeshan (2021) focused socio-economic condition of agricultural labourers and their level of awareness and access to financial inclusion. It found that the agricultural labourers are aware and access to some extent of financial product and services only for enjoying the direct benefit transfers from government and schemes. They are not aware about the extent of financial services and products provided by financial institutions. Thus they are not using the accounts continuously. **Reshma and Haikumar (2018)** studied about the financial awareness among women entrepreneur. It found that educational status of the women entrepreneur is related with financial literacy and financial knowledge. But their knowledge is limited only to the basic matters. It concluded that they required improving the knowledge on time value of money and budget preparation. **Kuri and Laha (2011)** observed a wide inter-state variation in the level of financial inclusion in India measured by using a composite index of financial inclusion. Focused on the level of financial inclusion aims to identify the underlying factors that are responsible for creating obstacles in the process of financial inclusion in rural area. It found that Chandigarh is at the top and Manipur is at the bottom in terms of the level of financial inclusion and the lack of awareness of banking services significantly determines the level of in accessibility of basic financial services.

DATA ANALYSIS

Awareness on Pradhan Mantri Jan Dhan Yojana(PMJDY)

Level of awareness	Hindu		Muslim		Christian	
	Number of respondents	%	Number of respondents	%	Number of respondents	%
Fully aware	15	60%	8	32%	7	28%
Moderate aware	5	20%	12	48%	12	48%
Less aware	5	20%	5	20%	6	24%
Total	25	100%	25	100%	25	100%

Source: Primary data



Awareness on Atal Pension Yojana (APY)

Level of awareness	Hindu		Muslim		Christian	
	Number of respondents	%	Number of respondents	%	Number of respondents	%
Fully aware	6	24%	5	20%	6	24%
Moderate aware	11	44%	12	48%	11	44%
Less aware	8	32%	8	32%	8	32%
Total	25	100%	25	100%	25	100%

Source: Primary data

Awareness on Sukanya Samridhi Yojana

Level of awareness	Hindu		Muslim		Christian	
	Number of respondents	%	Number of respondents	%	Number of respondents	%
Fully aware	1	4%	2	8%	1	4%
Moderate aware	7	28%	7	28%	8	32%
Less aware	17	38%	16	64%	16	64%
Total	25	100%	25	100%	25	100%

Source: Primary data

Awareness on Pradhan Mantri Mudra Yojana (PMMY)

Level of awareness	Hindu		Muslim		Christian	
	Number of respondents	%	Number of respondents	%	Number of respondents	%
Fully aware	2	8%	4	16%	2	8%
Moderate aware	4	16%	6	24%	8	32%
Less aware	19	76%	15	60%	15	60%
Total	25	100%	25	100%	25	100%

Source: Primary data

Awareness on Stand Up India Scheme

Level of awareness	Hindu		Muslim		Christian	
	Number of respondents	%	Number of respondents	%	Number of respondents	%
Fully aware	1	4%	2	8%	3	12%

Moderate aware	10	40%	8	32%	5	20%
Less aware	14	56%	15	60%	17	68%
Total	25	100%	25	100%	25	100%

Source: Primary data

Awareness on Pradhan Mantri Vaya Vandana Yojana (PMVVY)

Level of awareness	Hindu		Muslim		Christian	
	Number of respondents	%	Number of respondents	%	Number of respondents	%
Fully aware	2	8%	1	4%	2	4%
Moderate aware	2	8%	3	12%	9	36%
Less aware	21	84%	21	84%	15	60%
Total	25	100%	25	100%	25	100%

Source: Primary data

Awareness on Jeevan Suraksha Bandhan Yojana

Level of awareness	Hindu		Muslim		Christian	
	Number of respondents	%	Number of respondents	%	Number of respondents	%
Fully aware	1	4%	1	4%	1	4%
Moderate aware	1	4%	2	8%	6	24%
Less aware	23	92%	22	88%	18	72%
Total	25	100%	25	100%	25	100%

Source: Primary data

Awareness on Pradhan Mantri Suraksha Bima Yojana (PMSBY)

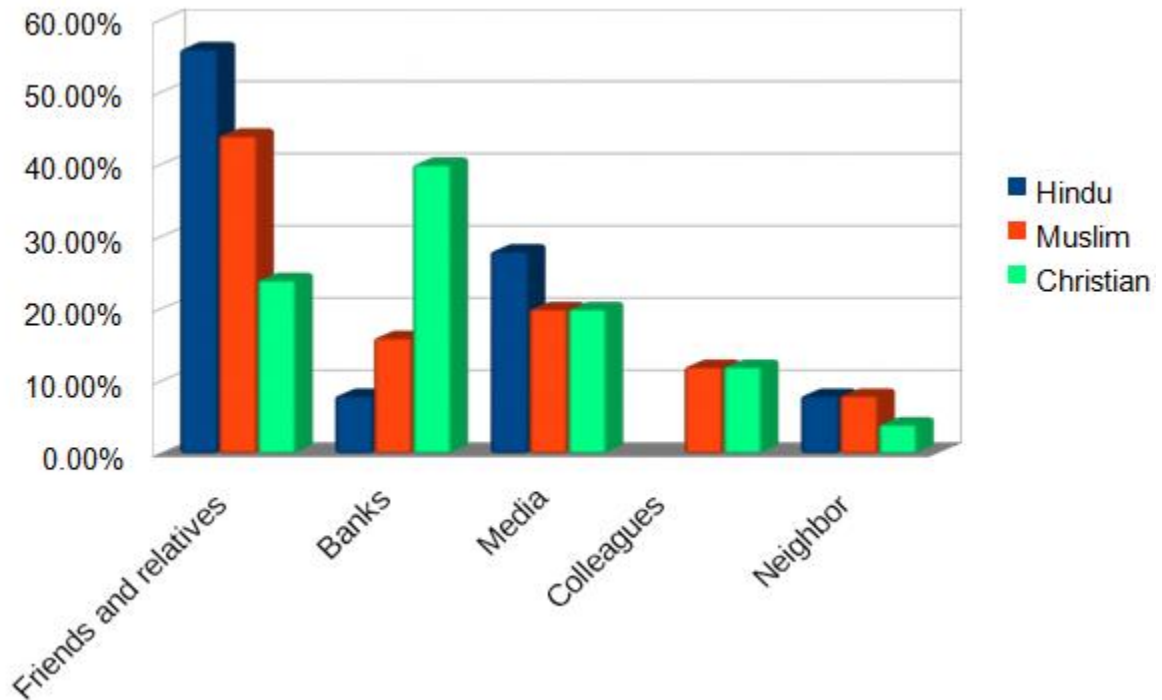
Level of awareness	Hindu		Muslim		Christian	
	Number of respondents	%	Number of respondents	%	Number of respondents	%
Fully aware	2	8%	2	8%	1	4%
Moderate aware	2	8%	3	12%	3	12%
Less aware	21	84%	20	80%	21	84%
Total	25	100%	25	100%	25	100%

Source: Primary data

Source of knowledge about financial inclusion schemes

Source of knowledge	Hindu		Muslim		Christian	
	Number of respondents	%	Number of respondents	%	Number of respondents	%
Friends and relatives	14	56%	11	44%	6	24%
Banks	2	8%	4	16%	10	40%
Media	7	28%	5	20%	5	20%
Colleagues	0	0%	3	12%	3	12%
Neighbour	2	8%	2	8%	1	4%
Total	25	100%	25	100%	25	100%

Source: Primary data



RESULT AND DISCUSSION

The 50% people from all three communities are less aware about financial inclusion schemes like Sukanya Samridhi Yojana, Pradhan Mantri Suraksha Bima Yojana, Stand Up India Scheme, Jeevan Suraksha Bandhan Yojana, Pradhan Mantri Mudra Yojana and Pradhan Mantri Vaya Vandana Yojana. The study found that majority of people aware about PMJDY, it is the most popular and extensive program to enhance the process of financial inclusion in India. It is favorable to all communities due to the provision of zero balance account. Majority of respondents are moderate aware about Atal Pension Yojana. The study revealed that 100% of Christian, 92% of Hindus and 88% of Muslims have bank accounts in order to receive salary ,scholarships, pension and make savings. 60% of Hindus, 32% of Muslims and 28% of Christians are fully aware about pradhan Mantri Jan Dhan Yojana. It found that 48% of Muslims, 44% of Hindus and Christians are moderately aware about Atal Pension Yojana. 56% of Hindus, 44% of Muslims are aware about financial inclusion schemes from their friends and relatives and 40% of Christians got awareness from banks. The remaining people got awareness from media, colleagues and neighbors.

CONCLUSION

The concept of financial inclusion is difficult to the people in the initial stage due to the financial illiteracy and lack of awareness. The middle age group is comparatively financially included

among all religious communities. Lack of knowledge, lack of awareness and religious matters are the reasons for do not holding bank account and some people are not interested to hold bank account. Even though 93.33% of respondents hold bank account. It is the major factor for financial inclusion. But the current study revealed that several accounts are inoperative. The bank should encourage the people to access banking services by ways of no frill account and financial inclusion campaign. The government should encourage the banks to adopt financial inclusion by means of financial assistance and awareness program etc to achieve the inclusive growth we must promote the financial.

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