

FINANCIAL INCLUSION THROUGH SOCIAL SECURITY SCHEMES IN HIMACHAL PRADESH: A STUDY OF PMSBY, PMJJBY & APY

Vijay Pal Singh, PhD. Research Scholar, Mittal School of Business, Lovely Professional University, Phagwara, Punjab, India. E-mail id - ranaplp.vijay29@gmail.com

Dr Rupesh Roshan Singh, Associate Professor, Mittal School of Business, Lovely Professional University, Phagwara, Punjab, India. E-mail id- rupesh.21932@lpu.co.in

Dr Gagan Singh, Associate Professor, School of Management Studies and Commerce, Uttarakhand Open University, Haldwani - Nainital, Uttarakhand, India. E-mail id – gagan_singh04@yahoo.co.in

Abstract

The importance of financial inclusion in the social and economic growth of the nation cannot be overlooked. Financial inclusion is an attempt to provide access to affordable and useful financial services to the deprived section and less income group of the economy. It is observed that a large portion of the Indian population do not have any kind of social security i.e. health, life, accidental insurance. With the passage of time, it is becoming a very serious issue that the young generation of the country does not have the facility of pension to survive in old age. The Government of India (GOI) has started several social security schemes to ensure that every citizen of India does not worry about the accident and illness in old age. To keep these things in mind the GOI has started three social security schemes i.e. Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Atal Pension Yojana (APY) with the motto of “**Jan Dhan se Jan Suraksha**”. The objective of this study is to analyse the awareness level of rural people about these schemes and to analyse the impact of these schemes on health status & education level of their beneficiaries. The study depicts the present status of these schemes and also examines the major challenges in the effective implementation of these schemes. The research study examined that how these schemes are helping to improve the financial literacy, health status and education system in the state.

Keywords– PMSBY, PMJJBY, APY, State Level Banker Committee (SLBC).

Introduction

Financial inclusion or inclusive financing is an attempt to provide access to affordable and useful financial products and services to the deprived section of society. The purpose of financial inclusion is to provide access to financial products, timely and affordable cost where needed by unfortunate, vulnerable and deprived sections of society. It also describes the equality & availability of opportunities to get financial services (Nanda & Kaur, 2006). The main objective of financial inclusion is to remove the obstacles which keep away users from participate in the financial system and provide financial services to fulfil their specific needs without any discrimination.

The GOI has started many social security schemes, that will ensure every citizen of India will not worried about the accident, illness in old age. In this phase, Indian Government has started three social security schemes on 09 May 2015 i.e. PMSBY (for accidental death and disability), PMJJBY (for life insurance) and APY (for pension) with the motto “**Jan Dhan se Jan Suraksha**”. At that time, 80% of India's population did not have any kind of insurance. The main objective to start PMSBY and PMJJBY was to enhance the enrolment of the insured population. Besides these social security schemes, the Indian Government has also started APY focused on the unorganized sector of the country. When this scheme was started 89% of India's population did not have any kind of old-age pension scheme and the main objective to start this scheme was to enhance the pension enrolment number.

Objectives

The research study has conducted with the following objectives:

- To study the present status of three social security schemes i.e. PMSBY, PMJJBY & APY in Himachal Pradesh.
- To analyse the awareness level of rural people towards social security schemes.
- To analyse the impact of social security schemes on the education level and health status of rural people.
- To examine the key challenges in the effective implementation of social security schemes and offer possible suggestions for their improvement.

Literature Review

Inoue (2019) described that financial inclusion has a positive impact on poverty reduction. To analyse the fact, it was found that public sector banks have larger estimated values of financial inclusion than private sector banks. Nidhi and Pankaj (2019) concluded that financial inclusion has a significant impact on women entrepreneurship. It enables them to start a new business. Nimbrayan et al., (2019) in their secondary data-based study expressed that financial inclusion has helped the poor in bringing them to the mainstream of growth. Shanti & Murty (2019) highlighted that educational age, income level is positively associated with financial literacy whereas educational level is not associated with financial literacy. Employed women have higher levels of financial literacy as compared to self-employed.

Vaidy et al., (2018) explained that financial inclusion level has significantly affected by the percentage of literates as well as the population density in various districts of Himachal Pradesh. Sanjaya and Sharma R. (2017) revealed that financial inclusion in both long and short-run has a positive impact on economic growth. Princy (2017) concluded that financial inclusion supports microfinance & microfinance accelerate it. Microfinance is one of the important weapons for eradicating and eliminating poverty through financial inclusion. M. Bhuvana and S. Vasantha (2016) explained that in rural areas effectiveness of financial inclusion has been decreased by certain demand & supply factors. Badar and Shaista (2016) disclosed that the progress and development of the economy have been strongly associated with financial inclusion. Gomathy and Jyoti (2016) has investigated that GOI and RBI have been making efforts to financial inclusion with the fundamental objective to providing financial services to the financial excluded Indian population.

Research Methodology

Primary data and secondary data have been used in the present study. Primary data has been collected from the beneficiaries of three social security schemes i.e. PMSBY, PMJJBY & APY in Himachal Pradesh. It has been collected from four districts of the state with the help of non-probability sampling techniques i.e. multistage sampling techniques. Secondary data has been collected from published annual reports of SLBC, official websites of PMSBY, PMJJBY & APY, past research papers and annual economic survey of the Himachal Pradesh Government. To analyse the collected data, simple statistical tools i.e. percentage, comparative tables, mean, standard deviation etc. have been used. This research study is confined to the geographical boundaries of Himachal Pradesh and has covered the period from the financial year 2017-18 to 2020-21.

Analysis & Discussion

• Financial inclusion in India

The concept of financial inclusion has originated in India when inclusive banking started with the nationalization of banks in July 1969 and April 1980. The term 'Financial Inclusion' in India was started

in the year 2004 by the Governor of RBI (Dr Yaga Venugopal Reddy) at that time. The real thrust in this concept comes in the year 2005 when RBI highlighted its yearly policy statement. In the year 2008 Indian Government has appointed a committee under the chairmanship of Dr Chakravarthi Rangarajan about Financial Inclusion. To enhance financial inclusion and bring the vulnerable section of the society into the mainstream of economic development GOI has started three social security schemes i.e. PMSBY, PMJJBY & APY. Present performance & progress of these social security schemes are shown in table 1.

Table -1: Status of PMJJBY, PMSBY & APY in India as on 31.03.2021

Years	PMSBY (Cumulative)			
	Enrolments (in Cr.)	No. of claim received	No. of claim disbursed	% of claim disbursed to the claim received
2017-18	10.02	13,244	9,810	74.07
2018-19	13.52	22,510	16,800	74.63
2019-20	15.74	41,601	32,904	79.09
2020-21	18.76	51,111	39,995	78.25
Years	PMJJBY (Cumulative)			
	Enrolments (in Cr.)	No. of claim received	No. of claim disbursed	% of claim disbursed to the claim received
2017-18	3.12	64,569	60,833	94.21
2018-19	5.34	1,01,761	92,951	91.34
2019-20	5.99	1,48,276	1,37,298	92.59
2020-21	7.08	1,94,205	1,80,848	93.12
Years	APY (Cumulative)			
	Male Subscribers	Female Subscribers	Transgender Subscribers	Total Subscribers
2017-18	30,47,793	18,35,094	942	48,83,829
2018-19	58,16,754	38,86,619	2,088	97,05,461
2019-20	89,44,446	64,70,196	3,643	1,54,18,285
2020-21	1,26,75,526	96,20,622	5,510	2,23,01,658

Source: Department of financial services GOI

Table 1 revealed that the total number of enrolments under PMSBY in the country is 18.76 crore by the end of the year 2020-21. This shows a growth of 19 % in the year 2020-21 as compared to the year 2019-20. The total claim registered under the scheme is 51,111 and 39,995 claims have been disbursed till the year 2020-21. It is also observed that the claim settlement ratio under the scheme is less than 80 %. This is not a good sign for the effective implementation of the scheme. In the case of PMJJBY, the total number of enrolments in the country is 7.08 crore by the end of the year 2020-21. It shows a growth of 18 % in the year 2020-21 as compared to the year 2019-20. Total claim registered under the scheme is 1, 94, 205 and 1, 80, 848 claims have been disbursed till the year 2020-21. It is also observed that the claim settlement ratio under the scheme is above 90 %. This is a good for the implementation of the scheme effectively. In the case of APY, the total number of enrolments till the year 2020-21 is 2.23 crore which includes 1.26 crore male subscribers and 0.96 crore female subscribers across the country. It shows a growth of 44 % in the year 2020-21 as compared to the year 2019-20, which is a good sign for the implementation of the scheme. The increase the enrolment under these schemes year after year is very helpful for the people of India, as it inculcates the habit of saving among them and indirectly helps in the economic development of the country.

• Financial Inclusion in Himachal Pradesh

Himachal Pradesh is situated in the Western Himalayas and northern part of India. It makes a boundary with J & K, Punjab, Haryana, Uttarakhand, and Tibet. Acharya Diwakar Dutt Sharma is the founder of the state. Before India's independence, Himachal comprised the hilly region of the Punjab province of British India. After independence, many of the hilly territories were organised and it became the Chief Commissioner's province on 15 April 1948. After the long battle to become a state, the Parliament of India has passed the state of Himachal Pradesh Act on 18th December 1970 and a new state was formed on 25th January 1971 with an area of 55,673 square km (www.himachal.nic.in).

The state comprises twelve districts and lead banking responsibility has been allotted to three banks namely UCO, PNB and SBI bank. The UCO bank is designated as the convenor bank of the state. As of March 2021, there are 12 public sector banks, 01 regional rural bank, 12 private sector banks, 09 cooperative banks, 01 Indian post payment bank and 03 small finance banks operating in the state, (SLBC reports, 2021). The state has a network of 38 banks with 2195 branches including 1695 rural branches along with 2068 ATMs. Banks in the state are providing technology-based banking services i.e. ATM, debit/ credit/ Rupay/ Kisan credit cards, telebanking, electronic fund transfer, mobile banking, online bill payments, online shopping facility to their rural and urban customers. SLBC report 2020-21 reveals that banks in the state have proved to be a milestone in enhancing financial inclusion. Taking these steps ahead banks in the state are ensuring their active participation to implement three social security schemes i.e. PMSBY, PMJJBY & APY.

Findings

• Present Status of Social Security Schemes in Himachal Pradesh

➤ PMSBY

The main objective of PMSBY is to provide life insurance cover (accidental death and disability) of ₹ 2 lakh with a premium of ₹ 12 p. a. and it is applicable for the age group of 18 to 70 years. All banks in the state have 15.38 lakh subscribers which include 11.85 lakh rural subscribers under the scheme. The year-wise growth under the scheme is shown in table 2. The scheme is running for the last 6 years and it has registered a growth of 17 per cent by the year 2020-21, as compared to the year 2019-20. About 864 insurance claims have been settled by the insurance companies under this scheme (table 3).

Table -2: Status of PMSBY & PMJJBY in Himachal Pradesh as on 31.03.2021

Year	Number of Enrolments under PMSBY			Growth (%)	Number of Enrolments under PMJJBY			Growth (%)
	Rural	Urban	Total		Rural	Urban	Total	
2017-18	10,04,025	1,76,632	11,80,657	15.08	2,54,077	60,488	3,14,565	12.33
2018-19	9,75,317	2,23,899	11,99,216	1.57	2,45,147	72,401	3,17,548	0.94
2019-20	10,41,233	2,73,611	13,14,844	9.64	2,86,923	96,393	3,83,316	20.71
2020-21	11,85,284	3,53,051	15,38,335	16.99	3,30,727	1,18,198	4,48,925	17.11

Source: State-level banking committee reports

➤ PMJJBY

The objective of the scheme is to provide insurance of ₹ 2 lakh with a premium of ₹ 330 p. a. and it is applicable for the age group of 18 to 50 years. In the entire state, banks have 4.48 lakh subscribers which include 3.30 lakh rural subscribers under the scheme. Year-wise growth under the scheme is shown in

table 2. The scheme is running for the last 6 years and it has registered a growth of 17 per cent by the year 2020-21, as compared to the year 2019-20. Banks are continues focusing to increase the number of enrolments under PMJJBY to provide social security to the poor people of the state. About 1704 insurance claims have been settled by insurance companies under the scheme (table 3).

Table -3: Status of Insurance Claim under PMSBY as on 31.05.2021

SN	Particulars	Total Number of Insurance Claim	
		PMSBY	PMJJBY
1	Number of insurance claim registered	1155	1841
2	Number of insurance claim paid	864	1704
3	Number of insurance claim rejected	267	100
4	Insurance claim pending with insurer	24	37

Source: State-level banking committee reports

➤ APY

It is social security scheme focused on the unorganized sector. Every individual with the age group of 18 to 40 years having a bank account can enrol themselves in the scheme. In this scheme minimum, fixed pension is given to the subscribers, depending upon the contribution option exercised by them and the pension start from the age of 60 years of the subscribers. The GOI is also contributing to those subscribers who are not having access to any social security scheme and are not paying income tax. The Government of Himachal Pradesh has also providing contribution in this scheme to the eligible subscribers as per policy terms & conditions. The banking network of the state has also aggressively focused to enhance the enrolment under this scheme through financial literacy campaigns, press media, social media publicity etc. Year-wise growth under the scheme is shown in table 4.

Table -4: Status of APY in Himachal Pradesh as on 31.03.2021

Year	Total Number of Enrolments under APY			Growth (%)
	Rural	Urban	Total	
2017-18	53,963	12,826	66,789	85.32
2018-19	71,368	23,714	95,082	42.36
2019-20	1,31,562	43,627	1,75,189	84.25
2020-21	1,59,669	62,838	2,22,507	27.01

Source: State-level banking committee reports

Banks in the state have enrolled 2, 22,507 subscribers under this scheme till March 2021, which include 1, 59,669 rural subscribers. The scheme is running for the last 6 years and it has recorded a growth of 27.01 per cent in the year 2020-21, as compared to 2019-20.

• Awareness Towards Social Security Schemes

The level of public awareness plays an important role in the effective implementation of any kind of government scheme. The general financial awareness level of rural people in Himachal Pradesh can be understood from table 5.

Table -5: Awareness of Beneficiaries about General Financial Activities of Banks

Descriptive Statistics		
Basic Financial Awareness	Percentage	
	Yes	No
Frequency of bank visits	99.00	1.00
Availed any financial benefit from the bank	66.00	34.00

Awareness about different types of loans	75.00	25.00
Use of Online banking	66.00	34.00
Use of ATM Card	84.00	16.00
Knowledge about credit cards and POS machines	81.00	19.00

Source: Compiled through the questionnaire

It has been analysed from table 5 that 99 per cent of the respondents go to the bank to meet their banking /financial needs. 66 per cent of respondents disclosed that they have availed any banking /financial facilities of the bank at some point in their life. When asked about the awareness towards different types of loan/ credit provided by banks, 75 per cent of the respondents have responded positively. When respondents were asked about their digital, online literacy, 66 per cent have reported that they are using online means of money transfer through various online platforms such as Google Pay, BHIM App., Paytm etc. Apart from this, 84 per cent of respondents are using ATM cards and 81 per cent of respondents are aware of credit cards and POS machines.

➤ Awareness about PMSBY

The level of awareness of the rural people of the state about PMSBY is shown in table 6.

Table -6: Awareness of Beneficiaries about PMSBY

Descriptive Statistics					
Knowledge about PMSBY	Frequency				
	Yes	No	Total		
	97	3	100		
Descriptive Statistics					
Awareness about PMSBY	N	Minimu m	Maximu m	Mean	Std. Deviation
1- Procedure of enrolment	97	1	5	3.16	1.339
2- Premium charged & mode of payment	97	1	5	3.32	1.317
3- Type of risk cover	97	1	5	3.09	1.491
4- Age limit for enrolment	97	1	5	2.83	1.264
5- Claim settlement procedure	97	1	5	2.09	1.280
6- Policy Renewal process	97	1	5	3.07	1.402
7- Policy termination benefits	97	1	5	2.48	1.514
Note: 1-Not at all aware, 2-Slightly aware, 3-Moderately aware, 4-Very aware, 5 Extremely aware					

Source: Compiled through the questionnaire

Table 6 shows that 97 per cent of the respondents are known about PMSBY. The banks and media are playing important role in making this scheme accessible to the general public. Statements 1 to 7 in table 7 are based on a five-point likert scale. The five-point likert scale is considered an interval scale. The mean value from 1 to 1.8 means there is no awareness amongst the beneficiaries, from 1.81 to 2.60 means slightly aware, from 2.61 to 3.40 means moderately aware, from 3.41 to 4.20 means very aware, from 4.20 to 5.00 means extremely aware.

The mean values of statements 1 to 4 and 6 are 3.16, 3.32, 3.09, 2.83 and 3.07 respectively. It means that the respondents have moderate knowledge about these awareness indicators of PMSBY. The mean values of statement 5 & 7 are 2.09 and 2.48 respectively. It means that the respondents have slight knowledge about claim settlement procedure & policy termination benefits features of PMSBY.

➤ **Awareness about PMJJBY**

The level of awareness among the rural people of the state about PMJJBY is shown in table 7.

Table -7: Awareness of Beneficiaries about PMJJBY

Descriptive Statistics					
Knowledge about PMJJBY	Frequency				
	Yes	No	Total		
	81	19	100		
Descriptive Statistics					
Awareness about PMJJBY	N	Minimum	Maximum	Mean	Std. Deviation
1- Procedure of enrolment	81	1	5	3.28	1.164
2- Premium charged & mode of payment	81	1	5	3.51	1.216
3- Type of risk cover	81	1	5	3.17	1.302
4- Age limit for enrolment	81	1	5	3.06	1.218
5- Claim settlement procedure	81	1	5	2.37	1.289
6- Policy Renewal process	81	1	5	3.37	1.156
7- Maturity benefit under the schemes	81	1	5	2.93	1.421
Note: 1-Not at all aware, 2-Slightly aware, 3-Moderately aware, 4-Very aware, 5 Extremely aware					

Source: Compiled through the questionnaire

It is exhibited from table 7 that 81 per cent of the respondents are known about PMJJBY. Statements 1 to 7 in table 8 are based on a five-point likert scale. The mean values of statement 1, 3, 4, 6 and 7 are 3.28, 3.17, 3.06, 3.37 and 2.93 respectively. It means that the respondents have moderate knowledge about these features of PMJJBY. The mean value of statement 2 is 3.51. It means that the respondents are very aware of the premium charged & mode of payment feature of PMJJBY. The mean value of statement 5 is 2.37 shows that the respondents are slightly aware of the claim settlement procedure under PMJJBY.

➤ **Awareness about APY**

The level of awareness among the rural people of the state about APY is shown in table 8.

Table -8: Awareness of Beneficiaries about APY

Table 3: Awareness of Beneficiaries about APY						
Descriptive Statistics						
Knowledge about APY	Frequency					
	Yes	No	Total			
	75	25	100			
Descriptive Statistics						
Awareness about APY	N	Minimu m	Maximu m	Mean	Std. Deviation	
1- Procedure of enrolment	75	1	5	3.04	1.289	
2- Premium charged & mode of payment	75	1	5	3.17	1.167	
3- Age limit for enrolment	75	1	5	2.85	1.147	
4- Beneficiaries under APY	75	1	5	3.08	1.183	
5- Pension amount under APY	75	1	5	2.88	1.262	

6- Income tax related benefit under APY	75	1	5	2.33	1.266
7- Knowledge about Administration authority of APY	75	1	5	2.05	1.207
Note: 1-Not at all aware, 2-Slightly aware, 3-Moderately aware, 4-Very aware, 5 Extremely aware					

Source: Compiled through the questionnaire.

It has been observed from table 8 that 75 per cent of the respondents are aware of APY. Statement from 1 to 7 in table 8 are based on a five-point likert scale. The mean values of statements 1 to 5 are 3.04, 3.17, 2.85, 3.08 and 2.88 respectively. It means that the respondents have moderate knowledge about these features of APY. The mean values of statement 6 and 7 are 2.33 and 2.05 shows that the respondents are slightly aware of income tax-related benefits & administration authority under APY.

• **Impact of Social Security Schemes**

➤ **Impact on Health Status**

To measure the impact of these social security schemes on the health status of the rural people, respondents were asked to rate their opinion on likert scale from 1 to 5, where 1 means strongly disagree and 5 means strongly agree. The analysis of the findings is shown in table 9.

Table -9: Impact of Social Security Schemes on Health Status

Descriptive Statistics				
Indicators	N	Minimum	Maximum	Mean
Development of health sector	100	1	5	3.51
Motivate rural people towards health facilities	100	1	5	3.59
Creation of interest in insurance schemes	100	1	5	3.86
Helpful in reducing mental stress	100	1	5	3.56
Improvement in women health	100	1	5	3.18
Increase awareness about health education	100	1	5	3.52
Note: 1 - Strongly Disagree, 2 - Disagree, 3 - Neutral, 4 - Agree, 5 - Strongly Agree				

Source: Compiled through the questionnaire

It is revealed from the above table that most of the respondents are agree with the improvement indicators i.e. development of the health sector (3.51), motivating rural people about health facilities (3.59), creating interest in insurance schemes (3.86), helpful to reducing mental stress (3.56), raising awareness of health education (3.52). Respondents are neutral on the statement of improvement in women's health (3.18).

➤ **Impact on Education Level**

To measure the impact of these social security schemes on the education level of rural people, respondents were asked to rate their opinion on five-point likert scale, where 1 means strongly disagree and 5 means strongly agree. The analysis of the findings is shown in table 10.

Table -10: Impact of Social Security Schemes on Education Level

Descriptive Statistics				
Indicators	N	Minimum	Maximum	Mean
Improvement in financial literacy	100	1	5	3.92
Helpful in increasing children education	100	1	5	3.45
Improvement in women literacy	100	1	5	3.31
Improvement in dropout rate in adolescent stage	100	1	5	3.14

Improvement in education facilities	100	1	5	3.27
Encourage rural students for higher education	100	1	5	3.44
Promote vocational education	100	1	5	3.62
Promote online education	100	1	5	3.60
Increase ability to take decision in use of money	100	1	5	3.85
Increase awareness about other government schemes	100	1	5	3.84
Note: 1 – SD, 2 - D, 3 - N, 4 - A, 5 - S A				

Source: Compiled through the questionnaire.

It has been observed from table 10 that most of the respondents agree with the improvement indicators i.e. improving financial literacy (3.92), helping children to enhance their education (3.45), encouraging rural students to pursue higher education (3.44), promoting vocational education (3.60), increasing decision-making ability in the use of funds (3.85) and raising awareness about other government schemes (3.84). Respondents are neutral on the statements of improvement in female literacy (3.31), improvement in dropout rate in adolescent stage (3.14), improvement in education facilities (3.27).

• **Challenges & Obstacles in the path of social security schemes in Himachal Pradesh**

To measure the challenges & problems in the effective implementation of these schemes, respondents were asked to rate their opinion on a five-point likert scale, where 1 means strongly disagree and 5 means strongly agree. The analysis of the findings is shown in table 11.

Table -11: Status of Challenges & Obstacles while Implementing Social Security Schemes

Descriptive Statistics					
Indicators	N	Minimu m	Maximu m	Mean	Std. Deviation
1- Geographical conditions in rural area	100	1	5	3.47	1.218
2- Low level of education	100	1	5	3.52	1.114
3- Awareness about government schemes	100	1	5	4.03	0.937
4- Lack of access to the banking & financial services	100	1	5	3.67	1.025
5- Less income & employment opportunities	100	1	5	3.78	0.991
6- Distance between home and bank branch	100	1	5	3.21	1.225
7- Lack of training to bank officials about schemes	100	1	5	3.26	1.203
8- Lack of motivation among bank officials towards effective implementation of schemes	100	1	5	3.53	1.058
9- Excessive paperwork	100	1	5	3.40	1.155
10- Time consuming activities	100	1	5	3.33	1.181
11- Negative impact of COVID-19 epidemic on these schemes	100	1	5	3.52	1.105
Note: 1 - SD, 2 - D, 3 - N, 4 - A, 5 - SA					

Source: Compiled through the questionnaire

Table 11 revealed that mean values of statements 1 to 5, 8 and 11 are 3.47, 3.52, 4.03, 3.67, 3.78, 3.53 and 3.52 respectively. This means that the respondents are in agreement with these challenges in the path of effective implementation of these schemes. The mean values of statement 6, 7, 9 and 10 are 3.21, 3.26, 3.40 and 3.33 respectively shows that the respondents are neutral about the statements, distance between home and bank branch, lack of training of bank officials about the schemes, excessive paperwork and time-consuming activities.

Suggestions

The following suggestions will definitely help the policymakers and implementing agencies to enhance the enrolment under these schemes:

- There is a need to develop proper coordination between bank officials, state government as well as central government officials to widen the reach of these schemes amongst the larger section of the society.
- There should be more awareness and financial literacy camps at grass root level i.e. gram panchayat, schools & colleges to promote and popularize these social security schemes in the state.
- Adequate information regarding the claim settlement process should be provided to the nominee of the insured person under PMSBY and PMJJBY. So that at the time of claim settlement, he does not have to bear the trouble of non-settlement of an insurance claim due to ignorance.
- To cover the female population of the state under these schemes, the government still needed to take several steps. Eligible women must be included in all the campaigns started by the government from time to time for women empowerment. This will indirectly increase the financial knowledge among the women.
- Adequate training should be given to the officials of implementing agency to increase the enrolment under the schemes.
- It is also the need of the hour to incorporate the financial education in the school and college level curriculum to financial literate the young generation of the country, so that a new era of financial literacy may be started, in which every citizen of the country is financial literate.

In short, if the above minor changes are introduced and precautions are taken by the government, it is possible to make these social security schemes in the state, success in a big way.

Conclusion

The study shows that these social security initiatives have achieved their object up to some extent. Banks has registered around 15.38 lakh enrolments under the PMSBY, around 4.48 lakh enrolments under the PMJJBY and around 2.22 lakh enrolments under APY till the end of the year 2020-21. The claim settlement ratio in PMSBY & PMJJBY is more than 75 per cent, which is augurs well for the effective implementation of the schemes. Frequent bank visits, awareness about different types of loans/ credit provided by the bank are good signs for effective implementation of the financial inclusion program in the state. Awareness of rural people about the various online modes of operation is also a good sign for the successful implementation of the Digital India Mission of the GOI. It can also be concluded that public awareness in the state towards various features of the PMSBY, PMJJBY & APY is moderate, which means that the government is still lagging behind to achieving its goal of providing social security to each eligible person in the state. While discussing the impact of social security schemes, most of the respondents are agreed and disclosed that these schemes had a positive impact on their real life. It has also been revealed that most of the respondents are agree with the challenges and problems that came in the path of social security schemes. Thus it can be said that most of the people in

the state are still out of reach of social security schemes. Because of that, they are not involved in the social and economic development of the state.

References

- Badar, A. Iqbal, & Shaista, S. (2016), “Role of banks in financial inclusion in India” *Contaduriay Administracion*, (Universidad Nacional Autónoma de México), 62, 644-656.
- Economic Survey of Himachal Pradesh, 2020-21, www.himachal.nic.in/economics.
- Gomathy, T. & Jyoti, N. (2016), “Financial Inclusion in India - A Review” *International Journal of Science Technology and Management*, 5(8), 2394-1537.
- Inoue, T. (2019), “Financial inclusion and poverty reduction in India”, *Journal of Financial Economic Policy*, 11(1), 21-33.
- M, Bhuvana. & S, Vasantha, (2016), “Drivers of Financial Inclusion to Reach Out Poor” *International Journal of Engineering Research and General Science*, 4(3), 2091-2730.
- Nanda, Kajole; Kaur, Mandeep (2016). "Financial Inclusion and Human Development: A cross-country Evidence". *Management and Labour Studies*. 41 (2): 127–153.
- Nidhi, G. & Pankaj, M. (2019), “Benchmarking financial inclusion for women entrepreneurship – a study of Uttarakhand state of India” *Benchmarking : An International Journal*, 26(1), 1463-5771.
- Nimbrayan, P. Kumar, Tanwar, N. & Tripathi, K. (2019) “Pradhan Mantri Jan Dhan Yojana (PMJDY): The Biggest Financial Inclusion Initiative in the World” *Economic Affairs*, 63(2), 583-590.
- Princy P. James, (2017), “Micro Finance and Financial Inclusion” *International Educational Applied Scientific Research Journal*, 2(5), 2456-5040.
- Sanjaya K. Lenka & Ruchi Sharma, (2017), “Does financial inclusion spur economic growth in India?” *The Journal of Developing Areas*, 51(3).
- Shanti, S. & A.V.N. Murthy, (2019), “The Impact of Financial Literacy on women in Several Districts of Andhra Pradesh” *International Journal of Recent Technology and Engineering*, 1(1S4), 2277-3878.
- Reports of *State Level Bankers Committee*, Himachal Pradesh, www.slbchp.com
- Reports of Department of Financial Government of India, <http://financialservices.gov.in>
- Vaidy, M. Madhur, M. & Sukrit Garg, (2018), “Factors Affecting Financial Inclusion in Himachal Pradesh: A District-wise Analysis” *Amity Journal of Management Research*, 3(1), 54-65.