

A Study on the Effectiveness and Outreach of Government-Sponsored Schemes Delivered by Indian Overseas Bank

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Abstract - Government-sponsored financial inclusion schemes play a vital role in expanding affordable banking, insurance, and credit services to underserved populations. Indian Overseas Bank (IOB) actively implements schemes such as PMJDY, PMJJBY, PMSBY, APY, and MUDRA to support low-income groups. This study evaluates the awareness, satisfaction, effectiveness, and outreach of these schemes among customers of IOB Muthailpet Branch, Puducherry.

Primary data was collected from 100 respondents using a structured questionnaire, and the results were analyzed through percentage analysis, ranking method, and one-way ANOVA. The findings show that insurance-based schemes—especially PMSBY (39%) and PMJJBY (21%)—have the highest engagement. Awareness is mainly driven through friends/relatives (44%) and bank staff (28%). Jewel loans and credit cards show high satisfaction, while APY is viewed as effective by most beneficiaries. However, ANOVA reveals significant differences in satisfaction among age groups, with senior citizens reporting lower satisfaction.

The study concludes that IOB has effectively promoted government schemes in the region, although improvements are needed in claim processing, digital banking awareness, senior-citizen support, and consistent communication. Strengthening these aspects will enhance the overall effectiveness and outreach of government-sponsored schemes.

Keywords: Financial Inclusion, IOB, Government Schemes, PMJDY, PMJJBY, PMSBY, APY, MUDRA, Customer Satisfaction.

I. INTRODUCTION

Financial inclusion has emerged as a key priority in India's economic development agenda, aiming to provide equal access to essential financial services for all sections of

society, especially the underserved and low-income groups. Over the past decade, the Government of India has launched several financial inclusion initiatives such as the Pradhan Mantri Jan Dhan Yojana (PMJDY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Atal Pension Yojana (APY), and MUDRA loans. These schemes are designed to offer affordable banking facilities, insurance coverage, pension benefits, and credit support to improve the financial stability of households. As a public-sector bank committed to social responsibility, Indian Overseas Bank (IOB) plays a crucial role in implementing these schemes across urban, semi-urban, and rural regions.

The effectiveness of government-sponsored schemes depends not only on the design of the programs but also on how well they are communicated, delivered, and accessed by the intended beneficiaries. Banks act as the primary interface for customers seeking to enroll in these schemes; therefore, customer awareness, satisfaction, and service quality significantly influence the success of financial inclusion efforts. The Muthailpet Branch of IOB in Puducherry serves a diverse customer base including daily wage earners, small traders, farmers, salaried employees, and senior citizens. This diverse demographic composition makes the branch an ideal setting to assess the real-time awareness, utilization, and outreach of government-sponsored schemes.

This study aims to evaluate the effectiveness and outreach of government-sponsored schemes offered by IOB at the Muthailpet Branch by analyzing customer awareness, participation levels, perceptions, and satisfaction. Using primary data collected from 100 respondents and applying percentage analysis, ranking method, and one-way ANOVA, the research provides insights into how well these schemes are reaching target beneficiaries and identifies the factors influencing scheme adoption. The findings contribute to understanding the strengths and gaps in implementation, offering valuable suggestions to improve the delivery of

financial inclusion programs and enhance customer experience in government scheme services.

II. LITERATURE REVIEW

1. Mehta & Das (2021) studied the role of digital tools in supporting government-sponsored schemes during the COVID-19 pandemic. The research found that digital platforms such as mobile banking apps, UPI payments, and online enrolment portals played a crucial role in ensuring uninterrupted access to benefits during lockdowns. Customers who were digitally literate faced fewer challenges in accessing services, while those without digital skills struggled. The study highlighted that digital banking tools not only increased convenience but also reduced footfall at bank branches, which was vital during the pandemic. Mehta and Das recommended continued investment in digital infrastructure, customer training in mobile banking, and simplified interfaces to make schemes more accessible, especially in rural areas.

2. Thomas & Peter (2021) analyzed awareness and usage of PMJDY accounts in the coastal regions of Kerala. Their findings indicated that account penetration in the region was relatively high, but active usage was low. Many accounts remained inactive because households with irregular incomes were unable to maintain regular banking habits. However, the study observed that financial literacy programs conducted in local languages with practical, relatable examples significantly improved account activity.

3. Chandran (2020) study focused on the performance of the Pradhan Mantri Suraksha Bima Yojana (PMSBY) in semi-urban Tamil Nadu. The research found that the scheme's very low annual premium attracted wide participation, particularly among low-income families. However, delays in claim settlement and a lack of proactive communication from banks created frustration among beneficiaries. Many customers were unaware of claim documentation requirements, which often resulted in claim rejections. Chandran suggested that banks should simplify claim processes, provide step-by-step guidance to customers, and designate specialized staff to handle insurance-related queries. By improving the claim experience, banks could build greater trust and increase the long-term effectiveness of the scheme.

4. Narayan (2022) investigated the challenges public sector banks face in implementing social security schemes like PMJJBY, PMSBY, and APY. The study revealed that inadequate staff training and heavy workloads were significant barriers to effective service delivery. In many cases, customers were enrolled without being fully informed about the scheme's features or claim processes, which later led to dissatisfaction and mistrust. Narayan pointed out that bank staff, often pressed with multiple responsibilities, lacked the

specialized knowledge required to explain these schemes clearly to customers. This gap contributed to low awareness and poor utilization of benefits. The study recommended introducing structured training modules for bank employees, along with targeted awareness campaigns for customers. By equipping staff with clear communication strategies and improving their scheme-related knowledge, banks could enhance both service quality and customer satisfaction.

III. OBJECTIVES OF THE STUDY

1. To assess the level of awareness among customers regarding the government sponsored schemes offered by IOB.
2. To evaluate the effectiveness of the implementation and delivery of government schemes by IOB.

IV. RESEARCH METHODOLOGY

This study is descriptive and analytical in nature, focusing on assessing the effectiveness and outreach of government-sponsored schemes delivered by Indian Overseas Bank (IOB), with special reference to the Muthailpet Branch, Puducherry. The research evaluates customer awareness, satisfaction, scheme participation, and communication effectiveness. The study is based primarily on primary data collected from customers of the selected branch using a structured questionnaire, supported by secondary data from official banking sources.

Sources of Data

Primary Data

Primary data was collected from 100 customers of Indian Overseas Bank, Muthailpet Branch, using a structured questionnaire. The questionnaire included demographic details, awareness levels, scheme participation, satisfaction ratings, and perceptions related to government-sponsored schemes.

Secondary Data

Secondary information was obtained from IOB official publications, government scheme guidelines (PMJDY, PMJJBY, PMSBY, APY, MUDRA), textbooks on banking and financial inclusion, research articles, journals, and relevant websites supporting the theoretical framework of the study.

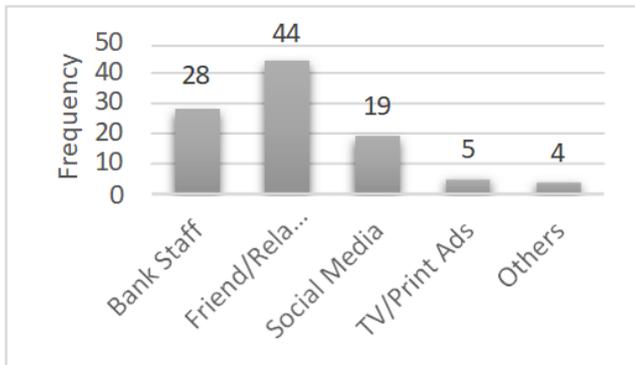
Tools used for analysis

Percentage Analysis, Ranking Method.

V. DATA INTERPRETATION

Source of Scheme Awareness

	Percentage
Bank Staff	28
Friend/Relatives	44
Social media	19
TV/Print Ads	5
Others	4
Total	100

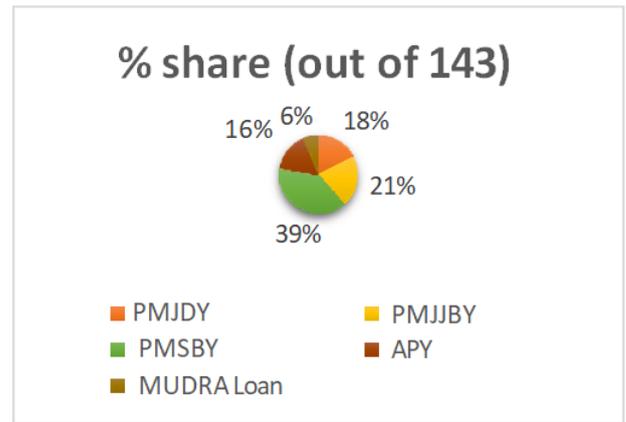


INTERPRETATION:

The highest awareness comes from friends and relatives (44%), reflecting strong influence of word-of-mouth communication. Bank staff account for 28%, showing that branch staff play a key role. Social media contributes 19%, while TV/print ads (5%) and others (4%) show minimal impact.

Overall Schemes Engagement

	% share (out of 143)
PMJDY	18%
PMJJBY	21%
PMSBY	39%
APY	16%
MUDRA Loan	6%



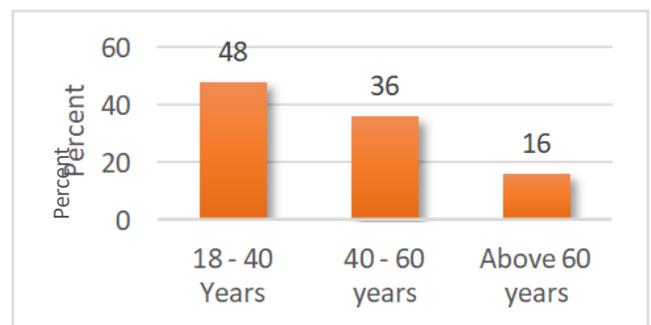
INTERPRETATION:

PMSBY is the most engaged scheme with 39% participation, followed by PMJJBY at 21%.

PMJDY (18%) and APY (16%) show moderate engagement, while MUDRA loan (6%) records the lowest participation. The overall pattern shows that insurance-based schemes are more widely used than credit-based ones.

Age of the Respondent

	Percentage
18 - 40 Years	48
40 - 60 years	36
Above 60 years	16
Total	100

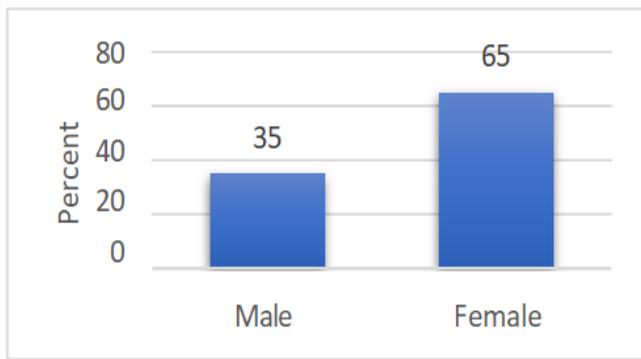


INTERPRETATION:

The majority of respondents are young to middle-aged (18–40 years), meaning schemes must be designed and communicated in a way that appeals to working-age individuals. However, the 16% above 60 also suggests that pension-related schemes (like APY) are relevant for senior citizens.

Gender Respondent

	Percentage
Male	35
Female	65
Total	100

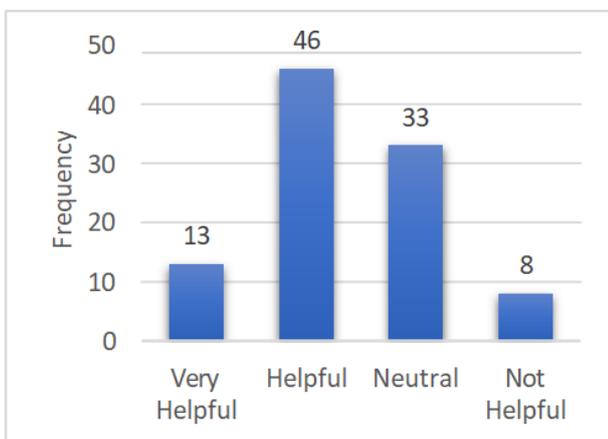


INTERPRETATION:

Female respondents (65%) form almost two-thirds of the total sample, showing that women are more actively engaged with banking services at IOB. Male respondents constitute 35%, indicating lower participation. This highlights the importance of women-centric schemes and communication strategies.

Helpfulness of PMSBY accident Insurance

	Percentage
Very Helpful	13
Helpful	46
Neutral	33
Not Helpful	8
Total	100

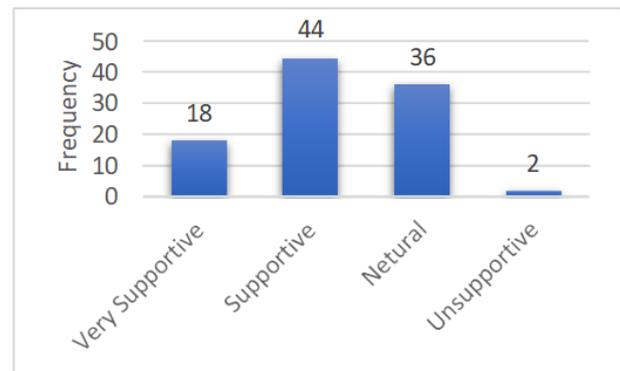


INTERPRETATION:

Most respondents (46%) find PMSBY helpful, and 13% find it very helpful, showing good acceptance of the scheme. However, 33% remain neutral, showing limited understanding of benefits, while 8% find it not helpful. This suggests that more awareness is needed regarding coverage and claim process.

Support by IOB staff

	Percentage
Very Supportive	18
Supportive	44
Natural	36
Unsupportive	2
Total	100

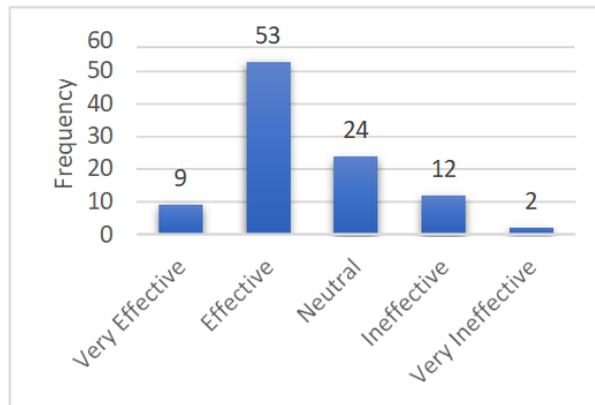


INTERPRETATION:

A majority (44%) found the staff supportive, and 18% found them very supportive. However, 36% remained neutral, suggesting inconsistency in customer service. The 2% unsupportive cases highlight the need for stronger training and service orientation among staff.

APY scheme effectiveness for Retirement

	Percentage
Very Effective	9
Effective	53
Neutral	24
Ineffective	12
Very Ineffective	2
Total	100

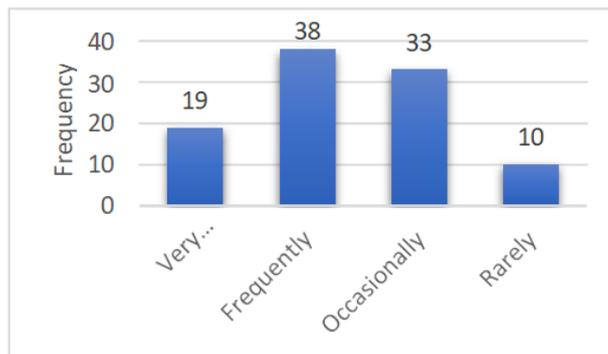


INTERPRETATION:

Over half (53%) of respondents consider APY effective, and 9% find it very effective. However, 24% are neutral, while 14% rate it ineffective or very ineffective. This shows the scheme has good reach but needs better communication about its long-term retirement benefits.

Frequency of communication about schemes

	Percentage
Very Frequently	19
Frequently	38
Occasionally	33
Rarely	10
Total	100



INTERPRETATION:

A majority of respondents feel communication is either frequent (38%) or very frequent (19%), showing that the bank actively informs customers. However, 33% say communication is only occasional and 10% rarely, which means that consistency in follow-ups is needed.

Ranking of Factors Related to Scheme Effectiveness

	Mean Rank	Rank
Improvement in financial condition	2.32	1
Usefulness of Life/Death Insurance	2.45	2
Accessibility Via SMS/Email	2.44	3
Usefulness of IOB Mobile App	2.8	4

INTERPRETATION:

The ranking results show that customers prioritize improvement in financial condition, followed by accessibility through SMS/Email. Insurance benefits are moderately valued, while the IOB mobile app ranks the lowest. This indicates that while core financial and insurance services are effective, digital services remain underutilized due to limited awareness or digital literacy. Overall, IOB performs well in delivering key scheme benefits but needs to strengthen digital outreach and promote mobile-based services.

Age-wise Analysis of Customer Satisfaction

Dependent Variable: Satisfaction with Overall Schemes				
(I) Age of the Respondent	(J) Age of the Respondent	Mean Difference (I-J)	Std. Error	Sig.
18 - 40 Years	40 - 60 years	0.118	0.16 4	0.75 3
	Above 60 years	.854*	0.21 5	0
40 - 60 years	18 - 40 Years	-0.118	0.16 4	0.75 3
	Above 60 years	.736*	0.22 4	0.00 4
Above 60 years	18 - 40 Years	-.854*	0.21 5	0
	40 - 60 years	-.736*	0.22 4	0.00 4

ANOVA					
Satisfaction with Overall Schemes					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	8.965	2	4.483	8.084	.001
Within Groups	53.785	97	.554		
Total	62.750	99			

INTERPRETATION:

The ANOVA test (F = 8.084, Sig. = 0.001) indicates that there is a significant difference in customer satisfaction across different age groups. Therefore, the null hypothesis (H₀) is rejected and the alternative hypothesis (H₁) is accepted. The Tukey HSD results reveal that respondents above 60 years (mean = 1.88) show lower satisfaction compared to the 40–60 years (mean = 2.61) and 18–40 years (mean = 2.73) groups. However, no significant difference is found between the 18–40 and 40–60 categories. This suggests that senior citizens face more challenges with accessibility and procedures, while younger and middle-aged customers report relatively higher satisfaction.

VI. RESULT AND DISCUSSIONS

The study reveals that most respondents belonged to the 18–40 age group and showed higher satisfaction, whereas senior citizens faced more difficulties. Women formed the majority of the sample, indicating active participation in banking services. Awareness of schemes mainly came from friends/relatives and bank staff, showing the importance of interpersonal communication. Among all schemes, PMSBY had the highest engagement, followed by PMJJBY, PMJDY, and APY, while MUDRA recorded the lowest usage. PMSBY and APY were viewed as helpful, though some respondents lacked full clarity about their benefits. Jewel loans and credit cards showed high satisfaction but also highlighted concerns regarding rates and features for some customers. Staff support was generally positive but inconsistent, and communication about schemes lacked regularity for a portion of customers. Ranking analysis showed financial improvement as the top priority, while digital awareness remained low, as reflected by the poor ranking of the IOB mobile app. ANOVA confirmed significant differences in satisfaction across age groups, especially lower satisfaction among senior citizens. Overall, IOB has effectively delivered government schemes, though awareness gaps, digital adoption, and senior-citizen support require further strengthening.

VII. SUGGESTIONS

IOB may strengthen awareness by conducting local-language campaigns and community-based programs to help customers better understand government schemes. A dedicated helpdesk for senior citizens can simplify pension and insurance procedures. The claim process for PMSBY and PMJJBY should be made faster with reduced paperwork and regular SMS updates. Digital adoption can be improved through demonstrations on the IOB mobile app and UPI. MUDRA loans need stronger promotion through simplified approval and flexible repayment. Since women constitute the majority of customers, women-focused products and SHG-linked services may be expanded. Regular and consistent communication through SMS and WhatsApp should be maintained, and a simple feedback system can help identify service gaps and improve overall delivery.

VIII. CONCLUSION

Financial inclusion is one of the key pillars of India's economic progress, aiming to provide equal access to financial services for all segments of society. Based on the study conducted on the effectiveness and outreach of government-sponsored schemes at the Muthailpet branch of Indian Overseas Bank (IOB), I conclude that the bank has played a commendable role in promoting these schemes among its customers. The data analysis reveals that a majority of

respondents are aware of popular schemes such as PMJJBY and PMSBY, and most of them expressed satisfaction with the bank's guidance and service quality. It was also found that staff support and communication have been effective in helping customers understand and access these benefits. Overall, the study concludes that IOB's initiatives have successfully enhanced financial literacy, encouraged participation in formal banking, and contributed positively to the broader goal of financial inclusion.

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