

# PMJDY-An Overview

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**Abstract :** Pradhan Mantri Jan-Dhan Yojana (PMJDY) which is actually “Prime Ministers People Wealth Scheme” is one of the prestigious scheme implemented in India post-Independence. This particular scheme is a Financial Inclusion scheme introduced to every Indian citizen above 18 years old .This scheme ensures access to financial services, mainly, Savings & Deposit Accounts, Remittance, Credit, Insurance, and Pension in a much affordable way. Account can be opened in any bank branch or business correspondent with Zero balance .This innovative concept actually enables a lot to promote the banking habits and acts as enables in reducing the poverty among the people in India. This prestigious project was launched by India’s Prime Minister Shri.Narendra Modi on 2014. The scheme is not only limited to opening of a bank account but also it has other benefits with it such as zero balance bank account with RuPay debit card, in addition to accidental insurance cover and many other such benefits. This paper is an attempt to discuss the overview of PMJDY, main features and progress PMJDY in India.

**Index Terms – Financial Inclusion, Financial Literacy, Banking.**

## I. INTRODUCTION

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**Figure caption:** Font size- 10”, lower case and Write below the figure, position-center

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The Prime Minister launched the prestigious financial inclusion scheme known as Pradhan Mantri Jan Dhan Yojana on August 28, 2014. This was meant to include every urban and rural household under banking sector. This ultimately ensures financial inclusion of the poor population by giving them dignity, financial freedom and financial stability. This scheme was launched by the national mission on financial inclusion with an objective of covering all households in the country having a bank account and other banking facilities. This scheme actually helps in bringing the poor people into economic mainstream through linking them to the banking system. Here every household with a bank account are covered through the access towards banking and credit facilities. This scheme will help the poor to come out of the grip of moneylenders, manage emerging financial needs, and get benefits from a range of financial. The PMJDY focuses at the philosophy of “Sab Ka Sath Sab Ka Vikas” through a bank account. As a first step to this, every account holder gets a RuPay debit card with a one lakh worth accident cover. Further, they will be covered by insurance and pension products also.

The scheme was launched with a slogan “*Mera Khatha, Bhagya Vidhatha*” (meaning “*My account brings me good fortune*”) The scheme was designed and launched after the failure of many of those previous government schemes such as Swabhimaan campaign of 2011 of the Government of India which aims to bring banking services to large rural areas. The objective of starting the scheme is about 59% of rural women in the name of women, more than 50% of the accounts of facilities assured in the country. As per the reports it is stated that the inauguration day, 15 million bank accounts were opened in India. Studies reveals that beyond enabling account ownership and the use of financial services, the PMJDY also facilitated financial inclusion for a variety of demographics. While the programme has made significant headway towards genuine financial inclusion, it is clear that improving policy communication, widening and deepening progress in low-income states, and ironing out the kinks in the bank-agent model will be crucial if these hard-fought gains are to prove sustainable.

## II. OBJECTIVES OF THE STUDY

- To have a basic awareness about the scheme
- To analyze the state wise progress of the scheme.

## III. RESEARCH METHODOLOGY

The study is mainly based on the secondary data. PMJDY official website is mainly used to collect reports and statements. Secondary data is also collected from various sources like books, journals and newspapers reports.

## IV. SCOPE OF THE STUDY

The scope of present study is limited to the performance and progress of Pradhan Mantri Jan-Dhan Yojan.. The study also covered the features, benefits, and challenges of PMJDY.

## V. RESULTS AND DISCUSSION OF THE STUDY

(A) **Benefits Under the scheme:**

- No minimum balance account can be opened
- Depositor will get an interest on deposit under the scheme
- Accidental insurance coverage upto 1 lakh
- Easy and simple transfer of money across India
- Beneficiaries of the scheme will get a direct benefit transfer in these accounts
- Overdraft facility after six months from opening the account
- Life cover of Rs.30000 payable on death of the beneficiary
- Easy access to pension and insurance products by the beneficiaries
- One basic savings bank account is opened for unbanked person.
- There is no requirement to maintain any minimum balance in PMJDY accounts.
- Interest is earned on the deposit in PMJDY accounts.
- Rupay Debit card is provided to PMJDY account holder.
- Accident Insurance Cover of Rs.1 lakh (enhanced to Rs. 2 lakh to new PMJDY accounts opened after 28.8.2018) is available with RuPay card issued to the PMJDY account holders.
- An overdraft (OD) facility up to Rs. 10,000 to eligible account holders is available.
- PMJDY accounts are eligible for Direct Benefit Transfer (DBT), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Atal Pension Yojana (APY), Micro Units Development & Refinance Agency Bank (MUDRA) scheme.

(B) **Progress of the Scheme****Table 1. State wise account opening report as on 06/02/2021**

S.No	State Name	Beneficiaries at rural/semi-urban centre bank branches	Beneficiaries at urban/metro centre bank branches	Total Beneficiaries	Balance in beneficiary accounts (in crore)	No. of RuPay cards issued to beneficiaries
1	Andaman & Nicobar Islands	31,886	15,978	47,864	31.96	39,478
2	Andhra Pradesh	60,29,072	52,05,859	1,12,34,931	3,257.90	87,87,142
3	Arunachal Pradesh	2,22,299	1,31,075	3,53,374	179.98	3,04,207
4	Assam	1,38,79,290	42,87,633	1,81,66,923	4,108.84	1,09,60,737
5	Bihar	3,36,26,922	1,42,06,075	4,78,32,997	13,632.75	3,76,90,924
6	Chandigarh	44,574	2,21,366	2,65,940	134.04	1,84,533
7	Chhattisgarh	1,04,92,718	47,26,991	1,52,19,709	4,164.81	1,03,12,029
8	Dadra & Nagar Haveli	1,30,791	13,692	1,44,483	79.38	90,024
9	Daman & Diu	45,166	14,241	59,407	28.44	44,272
10	Delhi	2,94,987	44,61,317	47,56,304	2,145.42	39,05,967
11	Goa	1,38,729	29,596	1,68,325	110.77	1,18,132
12	Gujarat	98,96,747	59,52,822	1,58,49,569	6,185.67	1,21,24,306
13	Haryana	40,44,309	37,78,918	78,23,227	4,279.92	59,12,998
14	Himachal Pradesh	13,59,812	1,22,908	14,82,720	925.24	11,47,022
15	Jammu & Kashmir	20,56,293	3,69,851	24,26,144	1,374.88	17,87,877
16	Jharkhand	1,25,55,935	27,01,214	1,52,57,149	4,648.14	1,08,56,440
17	Karnataka	88,08,703	62,77,887	1,50,86,590	4,957.25	97,96,532
18	Kerala	24,98,844	21,94,049	46,92,893	1,923.16	28,95,736
19	Ladakh	17,074	3,687	20,761	22.2	18,567
20	Lakshadweep	4,664	1,285	5,949	11.63	4,796
21	Madhya Pradesh	2,06,98,602	1,42,73,019	3,49,71,621	7,209.77	2,88,41,514
22	Maharashtra	1,65,41,176	1,30,13,512	2,95,54,688	9,340.28	2,05,56,975
23	Manipur	4,68,267	5,51,417	10,19,684	210.37	7,02,197
24	Meghalaya	5,14,768	69,752	5,84,520	296.79	3,88,531
25	Mizoram	1,76,592	1,42,920	3,19,512	102.53	1,07,960
26	Nagaland	1,45,069	1,80,590	3,25,659	89.96	2,74,050

27	Odisha	1,33,10,843	37,19,557	1,70,30,400	6,071.82	1,34,25,933
28	Puducherry	80,064	82,707	1,62,771	61.12	1,19,897
29	Punjab	43,11,790	29,82,502	72,94,292	3,194.40	57,71,944
30	Rajasthan	1,90,45,577	98,63,559	2,89,09,136	10,748.65	2,28,90,715
31	Sikkim	61,669	25,357	87,026	46.22	65,421
32	Tamil Nadu	56,05,372	54,10,735	1,10,16,107	2,889.22	89,72,749
33	Telangana	55,07,268	45,91,282	1,00,98,550	3,147.23	82,29,962
34	Tripura	6,44,865	2,55,085	8,99,950	532.08	3,92,870
35	Uttar Pradesh	5,03,37,397	2,00,31,318	7,03,68,715	25,157.84	5,12,33,617
36	Uttarakhand	18,18,415	8,88,323	27,06,738	1,453.47	21,10,359
37	West Bengal	2,81,53,155	1,15,89,947	3,97,43,102	12,985.39	2,49,83,072
38	Total	#####	14,23,88,026	41,59,87,730	1,35,739.52	30,60,49,485

Source: www.pmjdy. gov.in

Table 1 shows the state wise accounts opened in rural and urban areas, RuPay Card issued in India. It should be noted that the highest Rupay card beneficiaries belongs to Utter Pradesh followed by Bihar. Madhyapradesh, Maharastra, Utterpradesh, West Bengal and Bihar has the highest beneficiaries at urban /metro center banks.Ladak, Sikkim, Lakshwadweep shows the lowest beneficiaries in Rupay card and urban and rural centers.

## VI. CONCLUSION

PMJDY is a prestigious financial inclusion scheme introduced by the government of India to eradicate poverty among urban and rural sectors of India. It offers benefits such as financial inclusion, financial stability and financial freedom through the scheme. The provision of basic accounts along with a linked insurance coverage, debit card facilities, overdraft facility, zero account facilities etc. is the major highlight of the scheme. This scheme can meet the challenges, improving banking infrastructure (bank branches, ATMs) and overall monitoring for effective final inclusion. It is clearly evident that the financial inclusion is crucial step to poverty reduction. Many people have been successfully utilized this scheme and received many benefits. Moreover, the people in the rural areas below poverty line have been able to open at least a free bank account for one household under the PMJDY scheme. In short the scheme was an instant hit and promising scheme.

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