



DIGITAL FINANCE AND EVALUATION OF FINANCIAL INCLUSION ASPECTS OF PRADHAN MANTRI JAN DHAN YOJANA (PMJDY) SCHEME :A STUDY WITH SPECIAL REFERENCE TO KURNOOL DISTRICT ANDHRA PRADESH

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ABSTRACT:

Pradhan Mantri Jan Dhan Yojana (PMJDY) launched in 2014 aims to connect every household (later refocused to every unbanked adult) of the country with banking system. The scheme's main objective is to help citizens receive banking services such as credit, pension, and insurance at a reasonable cost

The scheme also aims to simplify the government-to-consumer (G2C) fund transfer by removing redundancies such as multiple transaction requirements, ID Validation and time delays. The PMJDY acts as platform to support government social schemes such as Pradhan Mantri Mudra Yojana (PMMY), Atal Pension Yojana (APY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY). Initially , the scheme was targeted for four years until 2018, covering every household; however, after understanding the impact and prospect, the government has extended the scheme to cover every adult.

Success of the scheme is evident from the data of households linked by bank accounts, As of March 2024, about 99.97% households in India are connected to the banking system, which helped them receive benefits off various Government schemes directly into their accounts. Also, linking the scheme with other government services and facilities have helped in the transactions and low dormancy of PMJDY accounts

Keywords: Financial Inclusion, PMJDY, Digital Payments, Abbreviations: RBI: Reserve Bank of India ,UPI: Unified Payments Interface ,DBT: Direct Benefit Transfers, SHGs: Self-Help Groups ,RRBs: Regional Rural Banks ,RuPay Card, Micro Insurance, Government subsidies, Inclusion Growth, JDD App,NPCI: National Payments Corporation of India.

LINTRODUCTION

The Pradhan Mantri Jan Dhan Yojana (PMJDY) is a flagship financial inclusion program launched by the Government of India 28th August 2014. Initiated by the Prime Minister Narendra Modi, the scheme aims to provide universal access to banking facilities to every household in India, especially targeting the economically weaker sections and those without access to formal banking services

Under this scheme individuals can open zero-balance saving bank accounts with access to Rupay Debit card, accident insurance and life insurance coverage. PMJDY is key step towards making India a more financially inclusive economy by promoting savings, enabling direct benefit transfers (DBT), and improving access to credit, insurance, and pension services

II.OBJECTIVES OF THE STUDY

1. Financial Inclusion for all to ensure access to financial services such as banking ,savings,deposits,credit,insurance and pension for the unbanked and underprivileged sections of society
2. Universal Access to Banking Facilities : To provide at least one basic banking account for every household, especially in rural and remote areas.
3. Zero Balance Account with Benefits : To enable people to open zero-balance account with the option to avail additional features such as overdraft facilities and RuPay debit cards
4. Direct Benefit Transfers (DBT): To facilitate direct transfer of subsidies and other government benefits into the beneficiaries accounts ,reducing leakages and delays
5. Promotion of savings Habits: To encourage low- income individuals to develop a habit of saving money securely within the banking system
6. Access to credit and Insurance: To provide financial products like overdrafts, credit access, accidents insurance , and life Insurance to promote economic security
7. Creation of financially Literate Society: To promote financial literacy and make citizens aware of banking digital payments, and savings schemes.

III. Financial inclusion in India –An Overview

Financial Inclusion refers to the process of ensuring access to appropriate financial products and services at affordable costs to all individuals and businesses, especially the vulnerable and low- income groups. In India, it plays a crucial role in promoting inclusive growth, reducing poverty, and empowering marginalized communities

Traditionally, large segments of India's rural and urban poor lacked access to formal banking services. Realizing the need for inclusive financial systems, the Reserve Bank of India (RBI) , the Government of India, and other financial institutions initiated several schemes post – 2005 to expand outreach

Business Correspondent (BC) Model : Enabled deliver of banking services in remote areas via local agents, Government subsidies and benefits are directly transferred to bank accounts, reducing leakage and corruption, Boosted mobile banking, digital wallets , and Unified Payments Interface (UPI), making transactions seamless and accessible

IV. Benefits of digital Finance via PMJDY :

1. Enhance Financial Access: PMJDY enabled rural and poor households to make digital payments, receive government benefits, and conduct transactions without physically visiting banks,
2. Cost Efficiency: Reduced transaction costs for banks and beneficiaries, especially for small-value and high-volume payments.
3. Transparency and Accountability: Digital trails helped track government payment, eliminating middlemen and corruption.
4. Resilience During Emergencies: During the COVID-19 pandemic, digital transfers to PMJDY accounts provided immediate relief to millions.
5. Empowerment of Women: Women beneficiaries have been major users of Rupay cards and digital transfers, fostering digital and financial independence

V. Challenges in Digital Finance Adoption

1. Digital literacy gap: in rural and low-income areas
2. Limited internet and smart phone access in remote regions
3. Cybersecurity threats and lack of awareness of digital tools due to trust issues and lack of Support
4. initial hesitancy in using digital tools due to trust issues and lack of support

IV. RESEARCH METHODOLOGY :

The present paper is primarily based on secondary sources of data consisting of government policies, Research articles published in journals and available on website.

VII. REVIEW OF LITERATURE :

Research Paper on “Financial Inclusion in Economic and Financial Growth In India with special Reference Pradhan Mantri Jan Dhan Yojana” by Saman Zameer and Dr. Shuja Uddin Khan (2024)¹ includes study reveal a significant

reliance on saving as the primary source of emergency funds, indicating a culture of financial responsibility and preparedness among a substantial portion of the population. Moreover, it is observed that younger individuals tend to prioritize savings, potentially due to their wealth-building phase, while gender and income disparities highlight the need for promoting financial education and financial planning, especially among women and those in lower income brackets. These findings underscore the importance of fostering a savings culture and addressing financial disparities. Additionally, the study emphasizes that promoting financial literacy and diversifying sources of emergency funds can further enhance financial resilience and preparedness for unexpected financial challenges.

Research Paper on “Pradhan Mantri Jan dhanYojana :A Step Towards Financial Inclusion” by Dr. Mini Goyal and Ms. ManinderKhera (2016)² Include study tried to investigate the current status of the PMJDY in India. The results revealed that the contribution of rural sector in terms of accounts opened under PMJDY was relatively higher than the urban sector in all banking sectors namely public sector banks, regional rural banks and private banks. Inrural sector , total accounts opened under PMJDY public sector banks, regional rural banks and private respectively. Whereas in urban sector 89.45 percent , 6.62 percent and 3.39 percent accounts were opened in public sector banks . The state-wise scenario of PMJDY showrd that the highest number of accounts were opened in uttat Pradesh including both rural and urban sector due to its high populations rate.

Study By “Pradhan Mantri Jan dhanYojana :A Decade of Digital Transformation and Financial Inclusion ” by RadheshyanKalawat, ShivaniAbrol, RituSapra (2025)³Over the last ten years , the programme has undergone by 77% increase in account openings and 66% of beneficiaries residing in rural areas, highlighting its effectiveness in serving underprivileged communities and also PMJDY as promoted digital financial services markedly enhancing UPI transaction to a cashless issues linger including inactive accounts (8.27%), diminishing RuPay card usage, and inconsistent regional engagement,

Study By “Awareness and satisfaction level of rural households through Pradhan Mantri Jan dhanYojana In Tiruvannakalai district –Astudy” by Dr.R,Ramachandran and D.Sathiyamoorthy (2022)⁴Include PMJDY conspire assists with fostering the savingpropensities from people in general and expending the monetary consideration just as the mindfulness and fulfillment level is high, the public required some plan from the Government give the necessary course of action than our National monetary incorporation will rise consequently

Jam and Alam, A,(2017)⁵“A Study of Financial Inclusion in India: A Conceptual Study with Special Reference to Uttat Pradesh”. Financial inclusion expands the asset base of the monetary frme work by fostering a culture of reserve funds among huge portion of rustic populace and assumes its own part during the time spent financial turn of events. Pradhan Mantri Jan DhanYojana is one the most including plan till now, the plan legitimize itself on fundamental grounds which ar to advance monetary education, general admittance to banking office and offering different monetary types of assistance just as on advancing reserve funds. Accordingly to ispmjdy conspire assists with fostering the saving propensities from people in general and expanding the monetary consideration just as the mindfulness and fulfillment level is high.

VIII.Data Analysis: PMJDY aims for financial inclusion at grassroots level by enrolling beneficiaries in new bank accounts, enabling direct benefit transfers and accessing various financial services application

Table 1 :Analysis and Interpretation: Performance of PMJDY: Annual Report 2015-2025

Major achievement of PMJDY are as under (Numbers in Crore)

As on	PMJDY Accounts (In crore)	No.of PMJDY (Male)	No of PMJDY Accounts (Female)	No of PMJDY accounts (rural/Semi-Urban)	No of PMJDY Accounts (Urban/Metro)	Deposits in PMJDY Accounts (In Rs. Crore)
March 2015	14.72	7.15	7.39	8.68	5.86	14,641
March 2016	21.43	10.37	11.05	13.17	8.26	35,672
March 2017	28.17	13.67	14.49	16.87	11.30	62,972
March 2018	31.44	14.85	16.60	18.52	12.92	78,494
March 2019	35.27	16.53	18.74	20.90	14.37	96,107
March 2020	38.33	17.85	20.48	22.63	15.70	1,18,434
March 2021	42.20	18.82	23.38	27.85	14.35	1,45,551
March 2022	45.06	19.98	25.08	30.07	14.99	1,66,459
March 2023	48.65	21.60	27.05	32.45	16.20	1,98,844
March 2024	51.95	23.05	28.90	34.58	17.36	2,32,502
As on08-01-2025	54.50	24.17	30.33	36.28	18.22	2,44,381

“Source :<https://financialservices.gov.in/beta/sites/default/files/2025-07/ANNUAL-REPORT-DFS-2024-25> “

From the above table it is observed that total of 55.50 crore Jan-Dhan accepts have been opened till As On -8-1-2025 under PMJDY with a deposit balance of Rs:2,44,381 crores. The average deposit balance is approx.. Rs:4,476 per PMJDY account.

There are 30.33 crore(56%) women Jan-Dhan account holders, and approximately 36.28 crore (67%) accounts have been opened in rural and semi-urban areas.

Approximately 37.23 crore RuPay cards with an inbuilt accidental insurance of Rs: 2 Lakh (Rs1lakh for accounts opened before 28/08/2018) coverage has also been provided to PMJDY account holders.

Out of total operative accounts opened under PMJDY, 88.6% have been seeded with Aadhaar number of the account holder on user consent basis, which has enabled interoperable and immediate Aadhaar based transactions, including for Direct Benefit transfer (DBT) through Aadhaar Payment Bridge

Table 2 : Total Performance of PMJDY (All figures in Crores) Beneficiaries as on 16/07/2025

Bank Name /Type	Number of Beneficiaries at rural / Semi urban centre bank branches	Number of Beneficiaries at urban metro centre bank branches	No of Rural Urban Female Beneficiaries	Noumber of total Beneficiaries	Deposits in Accounts (In Crore)	Number of RuPay Debit Cards issued to Beneficiaries
Public Sector Banks	27.31	16.05	23.93	43.36	205639.62	33.21
Regional Rural Banks	9.04	1.48	6.12	10.52	50612.38	3.82
Private Sector Banks	0.78	1.06	1.02	1.83	7702.96	1.49
Rural Co-operative Banks	0.19	0.00	0.10	0.19	0.01	0.00
Grand Total	37.31	18.59	31.17	55.90	263954.98	38.51

“Source :<https://pmjdy.gov.in/statewise-statistics> “

From the above table it is observed that the number of accounts under PMJDY by public sector banks, Regional Rural Banks, Private sector banks and rural corporate banks areas gross total Number of Beneficiaries at rural / Semi urban Centre bank branches is 37.31 crores,

Number of Beneficiaries at urban metro Centre bank branches 18.39 crores, Number of Rural Urban Female Beneficiaries 30.63 crores ,Number of total Beneficiaries 55.90 crores, Deposits in Accounts (In Crores) 263954.98, Number of RuPay Debit Cards issued to Beneficiaries 38.51 crores

Table 3 : PMJDY Andhra Pradesh State Total performance house Hold Report Beneficiaries as on 16/07/2025

State Name	Allotted Wards – SSAs	Wards-SSAs Survey Done	Wards-SSAs Survey Pending	Total Household	Covered Households	Household Coverage %
Andhra Pradesh	11592	11592	0	11855426	11855366	100

“Source :<https://pmjdy.gov.in/statewise-statistics> as retrieved on 14th March 2025”

Table 4 :PMJDY Andhra Pradesh Districtwise house Hold ReportBeneficiaries as on 05/03/2025

DISTRICT NAME	ALLOTTED WARDS-SSAs	WARDSs-SSAs SURVEY-DONE	HOUSEHOLD COVERAGE
Anantapuram	974	974	100.00
Chittoor	1332	1332	100.00
East Godavari	1016	1016	100.00
Guntur	1246	1246	100.00
Krishna	892	892	100.00
Kurnool	1018	1018	100.00
Prakasam	816	816	100.00
Sri PottiSriramulu Nellore	791	791	100.00
Srikakulam	722	722	100.00
Visakhapatnam	765	765	100.00
Vizianagaram	562	562	99.99
West Godavari	799	799	100.00
Y.S.R	659	659	100.00

“Source :<https://pmjdy.gov.in/statewise-statistics> as retrieved on 16th july 2025”

Table 5: PMJDY Statewise Performance Report 2024

S.No	State Name	Beneficiaries at rural/Semi urban centre bank Branches	Beneficiaries at urban / metro centre bank branches	Total Beneficiaries	Balance in Beneficiar accounts (in crore)	No. of RuPay cards to beneficiaries
1	Andaman And Nicobar Islands	43,564	19,116	62,680	43.07	37,858
2	Andhra Pradesh	8,499,606	7,573,733	16,073,339	5,191.49	10,335,615
3	Arunachal Pradesh	334,821	125,495	471,316	276.07	316,911
4	Assam	19,606,841	5,404,415	25,011,256	6,747.57	14,783,133
5	Bihar	46,809,252	17,820,236	64,629,488	25,494.37	46,753,407
6	Chandigarh	47,432	289,367	336,799	196.07	215,464
7	Chhattisgarh	12,899,342	5,452,067	18,351,409	8,815.95	11,147,094
8	Delhi	6338,341	6,175,230	6,813,571	3,316.95	5,245,965
9	Goa	180819	38,701	219,520	194.9	155,126
10	Gujarat	11,581,303	7,849,722	19,431,-25	10,852.14	14,777,631
11	Haryana	5,373,985	5,334,649	10,708,634	7,151.66	7,351,262
12	Himachal Pradesh	1,838,575	169,348	2,007,923	1,474.54	1,322,597
13	Jammu And Kashmir	1,803,162	436,137	2,239,299	1,677.93	1,801,571
14	Jharkhand	16,464,593	3,363,519	19,828,112	10,525.99	13,523,301
15	Karnataka	12,105,149	8,643,453	20,748,602	10,799.92	12,923,572
16	Kerala	4,263,075	2,795,611	7,058,686	3,338.08	3,821,770
17	Ladakh	14,445	4,824	19,369	24.39	14,351
18	Lakshadweep	8,197	1,997	10,194	18.16	7,787
19	Madhya Pradesh	27,842,519	17,881,780	45,724,299	17,373.84	34,053,055
20	Maharashtra	20,107,616	16,490,837	36,598,453	18,225.34	25,831,951

21	Manipur	674,042	420,935	1,084,977	304.49	698,907
22	Meghalaya	779,755	89,452	869,207	476.21	524,220
23	Mizoram	249,084	170,192	419,276	204.02	191,367
24	Nagaland	195,150	214,988	410,138	139.55	308,960
25	Odisha	18,257,526	4,969,239	23,226,765	11,256.72	16,599,596
26	Puducherry	133,898	127,531	261,429	119.37	164,844
27	Punjab	5,374,377	4,171,518	9,545,895	4,501.77	6,797,782
28	Rajasthan	244,001,451	13,250,949	37,252,400	21,037.52	27,673,968
29	Sikkim	65,770	29,984	95,754	55.14	67,997
30	Tamil Nadu	9,252,805	8,458,639	17,711,444	6,229.17	12,824,637
31	Telangana	7,427,008	5,430,556	12,858,301	5,293.73	8,857,539
32	The Dadra And Nagar Haveli And Daman And Diu	212,045	28,976	241,021	173.89	169,704
33	Tripura	898,251	230,309	1,128,560	635.74	607,733
34	Uttar Pradesh	72,427,008	27,155,258	99,582,266	53,755.19	67,493,443
35	Uttarakhand	2,614,147	1,294,910	3,909,057	2,665.17	2,639,676
36	West Bengal	40,059,470	14,036,219	54,095,689	25,368.89	35,090,414
37	Total	373,096,161	185,939,892	559,036,053	263,954.98	385,139,208

“Source :<https://pmjdy.gov.in/statewise-statistics> as retrieved on 16th July2025”

Performance of RRBs under Financial Security Scheme: The Comparative performance of Regional Rural Banks (RRBs versus all banks under financial inclusion schemes is provided below. Additionally, the performance of RRBs under the Atal Pension Yojana (APY), Pradhan Mantri Jan Dhan Yojana (PMJDY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY) is detailed below

S.N	Government Scheme	31-March 2023			31-March 2024			YoY Growth (%)	
		RRBs	All Banks	RRB Share (%)	RRBs	All Banks	RRB Share (%)	RRBs	All Banks
1	Pradhan Mantri Jan dhan Yojana	9.13	48.65	18.8	9.83	51.99	18.9	7.7	6.9
2	Pradhan Mantri Suraksha Bima Yojana	5.22	33.78	15.5	7.24	43.69	16.5	38.7	29.3
3	Pradhan Mantri Jeevan Jyoti Bima Yojana	2.24	15.99	14.0	3.17	19.85	15.9	41.5	24.1
4	Atal Pension Yojana	0.98	5.20	18.8	1.25	6.44	19.4	27.6	23.8

“Source :<https://pmjdy.gov.in/statewise-statistics> as retrieved on 16th July2025”

VI CONCLUSION:

The PMJDY scheme has been a cornerstone in democratizing digital finance in India. From bank account access to enabling millions to participate in the digital economy, PMJDY has transformed financial behaviour at the grassroots level. With the convergence of fintech, government initiatives, and improved digital literacy, its impact on digital finance is only set to grow further.

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