

# Indian States Performance and Contribution on Pradhan Mantra Jan Dhan Yojana

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## ABSTRACT

*To address the issue of financial exclusion and long drawn financial sufferings, Prime Minister Narendra Modi announced a new scheme on 15th Aug 2014, and launched on 28th August, 2014, An attempt has been made in this paper to analyze the working, growth and journey of 29 states and 8 union territories in India and compared the percentage of PMJDY(Pradhan Mantra Jan DhanYojana) account open with respect to the state population as on 29<sup>th</sup> January 2019 as well as analysis the overall performance of PMJDY2019.The study is based on secondary sources collected from published articles, various journals, newspapers, reports, books, and official websites of PMJDY. The study concludes that, PMJDY (Pradhan Mantra Jan DhanYojana) scheme has created incredible result in the banking sector with regard to eradication of financial untouchability in the country. It is found that 38.01 crores bank accounts were opened out of which the performance of Public Sector Banks (PSBs) is at the top with 30.26 cores contributions in PMJDY.*

**Keywords:** *Financial inclusion; Financial sufferings; Financial exclusion.*

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## 1.0 Introduction

Even when sixty-eight years of independence, an outsized section of the Indian population still remains unbanked. Within recent years the government and bank of India have been pushing the conception and plan of monetary inclusion. The money inclusion set up aims at providing easy accessibility to money services to those sections of the society area unit bereft of it to date at reasonable value thereby transportation them into the thought of monetary sector, in distinction to money exclusion wherever those services do not seem to be on the market or reasonable. Pradhan Mantri DhanYojna (PMJDY), as a national mission on money inclusion having primary objective being to produce checking account to each house within the country and build on the market basic banking services like money withdrawal and deposits, cashtansfer, balance inquiry, rupay revolving creditfacility and lengthening mobile banking facility, within the next part, small insurance, and pension, etc. The Government of India was launched the program on 28/08/2014. The locution of Pradhan Mantri Jan-Dhan Yojana is 'MerraKhattaBhaygaVidhata' It is aforesaid that since the banking services area unit within the nature of the public product, the provision of banking and payment services to the whole population while not discrimination is that the prime objective of monetary inclusion publicly policy. With a checking account, each house gains access to banking and credit facilities. This may alter them to return out of the grip of moneylenders, manage to stay far from money crises caused by emerging desires, and most significantly, take pleasure in a spread of monetary products/benefits. Run by Department of monetary Services, Ministry of Finance, on the Inauguration Day, 1.5 Crores (15 million) bank accounts were opened below this theme.

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Guinness World Records acknowledges the Achievements created below PMJDY, Guinness World Records Certificate says the most bank accounts opened in one week as a region of monetary inclusion campaign is eighteen,096,130 and was achieved by Banks in India from twenty-three to twenty-nine August 2014". By twenty-five Nov 2015, 19.34 Crores bank accounts were opened, with 26,956.45 lakhs were deposited below the theme.

## **2.0 Review of Literature**

Harpreet Kaur & Kawal Nain Singh (2015), studied the recent trends in money inclusion in India with distinctive relevancy Pradhan Mantri Gregorian calendar month Dhan Yojana (PMJDY), light its key areas and counseled ways to make sure most money inclusion for the underprivileged and unbanked area.

Sonam Kumari Gupta (2015) highlighted on Performance of the Pradhan Mantri Gregorian calendar month Dhan Yojana (PMJDY) and latest trends being enforced for money inclusion by PMJDY. It's found that of the accounts opened at public sector banks below the Gregorian calendar month Dhan Yojana, seventy-one area, zero balance against 64% for personal banks free by the ministry, solely 28% of the accounts opened below the theme and 9000 crores deposited in these.

Patnaik (2015) analyzed that, only 13.8% of the respondent in Bhubaneswar have access to checking accounts and out of total respondents who don't have bank account thanks to numerous reasons area unit ominous don't seem to be attentive to PMJDY theme. Amongst males, 78.9% and 95.08% wasn't attentive to the theme. The study over that, the banks ought to build a lot of effort in making awareness on zero balance account and may sharply campaign for the theme.

Diveyesh Kumar (2014) mentioned the summary of monetary inclusion mistreatment PMJDY in India. It is discovered that it is best step ever taken to eradicate impoverishment area unit money inclusion through PMJDY. It is recommended that the success of this theme constant review and regular check is incredibly a lot essential.

## **3.0 Objective of the Study**

The main objective of the study is to investigate the performance and progress of Pradhan Mantri Jan-DhanYojan of Indian states

## **4.0 Research Methodology**

The study is especially supported the secondary knowledge. The secondary knowledge is additionally collected from various sources like books, journals, reports, magazines, internet & newspapers.

### **4.1 Statistical tools and techniques**

In this research paper data is collected from secondary sources & this collected information processed through statistical tools like tabulation, percentage, graphs and Charts.

## **5.0 Scope of the Study**

The scope of the gift study is restricted to the performance and progress of Pradhan Mantri Jan-Dhan Yojana by state bench vise. The study can even line the contribution of Public Sector banks, regional and rural banks sector banks towards the money inclusion below PMJDY theme, option and challenges

## 6.0 Action Plan for Implementing Pradhan Mantri Jan Dhan Yojana

Two phases of this theme have been determined within which the target of economic inclusion of the weaker section of the society is meant to be achieved. The PMJDY theme is being enforced in 2 phases. The primary part was to be fifteenth August 2014 to ordinal August 2015 and therefore the second part from fifteenth August 2015 to ordinal August 2018.

### 6.1 Phase I of PMJDY (15th august, 2014 to 14th august, 2015):

- Universal access to banking facilities for all households across the country through a bank branch or a hard and fast purpose inside an inexpensive distance except areas with infrastructure and property constraints.
- Covering all households with a minimum of one basic banking account with an order of payment facility of up to Rs. 5,000 once satisfactory operation for six months
- Expansion of direct profit transfer facility underneath numerous government schemes is provided through checking account of the beneficiary
- Issuing KCC as RuPayKisan.
- Providing basic banking accounts and RuPay Debit card which has inbuilt accident insurance cover of Rs. 1 lakh.
- Financial literacy programme under the scheme will be implemented up to village level.

### 6.2 Phase II of PMJDY (15th august, 2015 to 14th august, 2018)

- Covering 7.5 crores large integer households with a minimum of one PMJDY
- Overdraft facility up to Rs. 5,000 after six months satisfactory operation / history.
- Creation of Credit Guarantee Fund for coverage of defaults in accounts with an order payment limit up to Rs. 5,000.
- Small insurance will be provided to the people.
- Unorganized sector pension schemes like Swavalamban is to be projected through the business correspondence.
- Coverage of households in unsmooth, social group and troublesome areas and coverage of remaining adults in the households and students.
- Reactivating oversized number of dormant accounts.

## 7.0 Performance and Progress of PMJDY

**Table 1: Number of Accounts Opened under PMJDY as on 29.01.2020 (All Figures in Crore)**

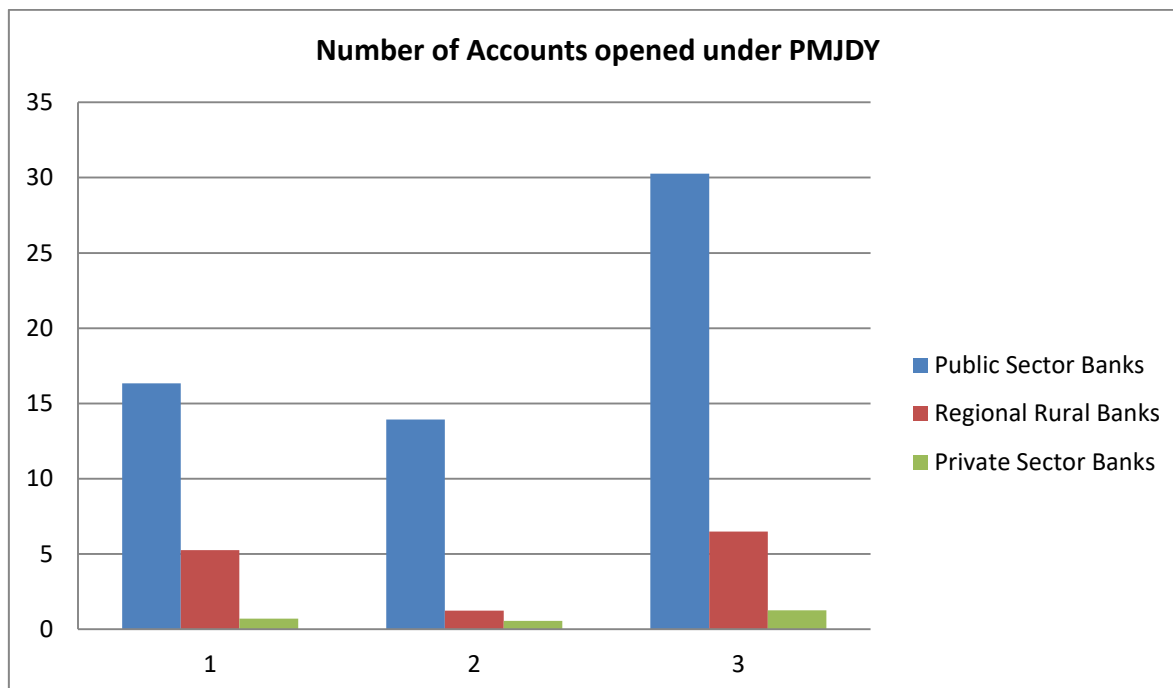
Bank	Rural	Urban	Total	Deposits in Accounts(In Crore)	Number of Rupay Debit Cards issued to beneficiaries
Public Sector Banks	16.33	13.93	30.26	89867.03	24.34
Regional Rural Banks	5.26	1.24	6.49	20696.69	3.56
Private Sector Banks	0.7	0.56	1.25	3112.5	1.15
<b>Grand Total</b>	<b>22.28</b>	<b>15.73</b>	<b>38.01</b>	<b>113676.2</b>	<b>29.05</b>

Source: <https://pmjdy.gov.in>

Chart 1. Variety of accounts opened underneath PMJDY as on 29/01/2020. The table 1 shows that the overall variety of saving bank accounts opened in rural and concrete areas underneath the PMJDY theme, variety of RuPay positive identification issued, balance in accounts, underneath PMJDY theme publically sector banks Regional Rural banks & personal sector banks. It is found that

38.01 crores accounts were opened underneath the theme, amongst Public sector banks had opened 30.26 crores accounts, Regional Rural banks had opened 6.49 crores accounts & personal sector banks had opened 1.25 crores account as of 29/01/2020

**Chart 1: Number of Accounts Opened under PMJDY as on 29.01.2020**



Furthermore, it's found that the overall 22.28 crores accounts were opened underneath the theme in rural areas, amongst Public sector banks had opened 16.38 crores accounts, Regional Rural banks had opened 5.26 crores accounts & personal sector banks had opened 0.7 crores accounts.

A total of 15.73 crores accounts were opened underneath the theme in urban areas, amongst Public sector banks had opened thirteen.93 crores accounts, Regional Rural banks had opened one.24 crores accounts & personal sector banks had opened zero.56 crores accounts. It unconcealed that, a total of twenty-nine.05 Crores RuPay positive identification issued by banks underneath PMJDY as of Gregorian calendar month twenty-nine, 2020, out of that twenty-four.34 crores RuPay positive identification issued by public sector banks, 3.56 Crores RuPay positive identification issued by Regional Rural banks, & 1.15 Crores RuPay positive identification issued by personal Sector banks. It is found that a total of thirty-eight.01 Crores bank accounts are opened with deposits totaling. 113676 Crores as of Gregorian calendar month twenty-nine, 2020. Out of that, Balance publically sector banks 89867.06 Crores, Balance in camera sector banks 3112.5 Crores, & Balance in Regional Rural banks 20696.69

It concludes that the performance of the general public sector banks is quite the RRB's and personal sectors banks underneath PMJDY theme as on 29/01/2020

Table 2: State-wise Accounts gap in Rural & Urban Areas, Deposits, & RuPay card issued as on 29/01/2020 The PMJDY knowledge for twenty-nine states and eight union territories in Bharat are provided within the following table and organized within the decreasing order of proportion PMJDY accounts with regard to the state population. This life reflects the success of the theme within the state (higher the proportion, the higher is that the performance of the state in providing PMJDY accounts to the population within the state).

**Table 2: State wise Accounts Opening in Rural & Urban Areas,  
Deposits & RuPay Card Issued as on 29/01/2020**

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	population	% PMJDY	% rupay card
1	Andaman & Nicobar Islands	2,37,088	66,945	3,04,033	146.46	2,31,850	3,79,944	80.02	61.02
2	Chhattisgarh	94,72,595	52,21,638	1,46,94,233	3,299.64	1,04,23,030	2,55,40,196	57.53	40.81
3	Assam	1,23,31,498	39,01,171	1,62,32,669	3,782.22	1,01,85,459	3,11,69,272	52.08	32.68
4	Madhya Pradesh	1,61,91,393	1,79,77,775	3,41,69,168	6,468.18	2,61,91,282	8,29,41,943	41.20	31.58
5	Jharkhand	96,55,547	35,93,443	1,32,48,990	3,818.68	1,01,42,801	3,29,66,238	40.19	30.77
6	Dadra & Nagar Haveli	1,02,044	24,887	1,26,931	57.88	84,190	3,42,853	37.02	24.56
7	West Bengal	2,43,05,228	1,18,74,606	3,61,79,834	12,692.86	2,47,45,869	10,01,93,142	36.11	24.70
8	Bihar	2,76,08,936	1,57,48,246	4,33,57,182	11,962.46	3,48,41,215	12,17,54,329	35.61	28.62
9	Manipur	4,12,587	5,39,558	9,52,145	199.99	6,67,263	27,21,756	34.98	24.52
10	Rajasthan	1,55,51,736	1,08,40,220	2,63,91,956	8,568.37	2,11,12,549	7,71,23,684	34.22	27.37
11	Odisha	1,14,63,789	41,15,440	1,55,79,229	5,482.23	1,26,27,398	4,61,43,782	33.76	27.37
12	Mizoram	1,21,244	1,89,400	3,10,644	107.61	85,986	10,91,014	28.47	7.88
13	Total	22,27,91,959	15,72,71,484	38,00,63,443	1,13,676.22	29,05,18,686	1,35,03,29,874	28.15	21.51
14	Telangana	48,66,981	48,77,919	97,44,900	1,896.17	81,28,747	3,51,93,978	27.69	23.10
15	Haryana	36,36,515	37,66,331	74,02,846	3,497.87	58,09,440	2,77,61,063	26.67	20.93
16	Uttar Pradesh	3,59,12,222	2,46,00,643	6,05,12,865	21,367.43	4,80,80,306	22,79,20,005	26.55	21.10
17	Uttarakhand	15,63,655	9,88,604	25,52,259	1,233.33	20,57,087	1,01,16,752	25.23	20.33
18	Delhi	4,92,542	43,67,932	48,60,474	2,006.88	40,43,905	1,94,83,678	24.95	20.76
19	Arunachal Pradesh	2,05,027	1,28,669	3,33,696	122.68	2,86,113	13,82,611	24.14	20.69
20	Tripura	6,23,300	2,60,688	8,83,988	643.48	4,44,760	36,71,032	24.08	12.12
21	Daman & Diu	25,160	30,221	55,381	22.16	43,146	2,42,911	22.80	17.76
22	Punjab	39,70,132	29,57,012	69,27,144	2,575.87	56,73,892	3,04,52,879	22.75	18.63
23	Karnataka	82,19,543	66,36,064	1,48,55,607	4,248.28	1,04,18,699	6,82,36,674	21.77	15.27
24	Maharashtra	1,32,16,189	1,35,79,072	2,67,95,261	6,943.95	1,92,82,875	12,31,74,918	21.75	15.65
25	Gujarat	65,83,538	67,72,352	1,33,55,890	4,442.19	1,10,75,124	7,02,08,143	19.02	15.77
26	Himachal Pradesh	11,41,241	1,50,545	12,91,786	703.59	10,29,348	71,23,184	18.13	14.45
27	Chandigarh	40,530	2,12,426	2,52,956	117.9	1,87,128	14,43,939	17.52	12.96
28	Meghalaya	4,02,599	71,290	4,73,889	194.22	3,33,607	29,64,007	15.99	11.26
29	Nagaland	1,23,743	1,80,235	3,03,978	64.82	2,56,237	19,80,602	15.35	12.94
30	Jammu & Kashmir	17,90,375	3,21,445	21,11,820	1,000.24	17,26,849	1,45,37,863	14.53	11.88
31	Sikkim	65,413	28,166	93,579	39.24	71,357	6,58,361	14.21	10.84
32	Ladakh	16,960	1,961	18,921	15.05	19,377	1,33,487	14.17	14.52
33	Tamil Nadu	49,57,170	56,77,900	1,06,35,070	2,157.03	87,72,676	7,90,96,413	13.45	11.09
34	Puducherry	70,554	87,726	1,58,280	46.65	1,18,853	12,44,464	12.72	9.55
35	Kerala	21,15,620	21,86,135	43,01,755	1,379.51	27,05,097	3,47,42,592	12.38	7.79
36	Andhra Pradesh	51,71,902	52,49,944	1,04,21,846	2,265.56	84,83,330	8,46,65,533	12.31	10.02
37	Goa	1,22,950	43,762	1,66,712	96.84	1,26,653	14,57,723	11.44	8.69
38	Lakshadweep	4,413	1,113	5,526	8.71	5,188	64,429	8.58	8.05

Source: <https://pmjdy.gov.in/statewise-statistics> <http://www.indiaonlinepages.com/population/india-current-population.html>

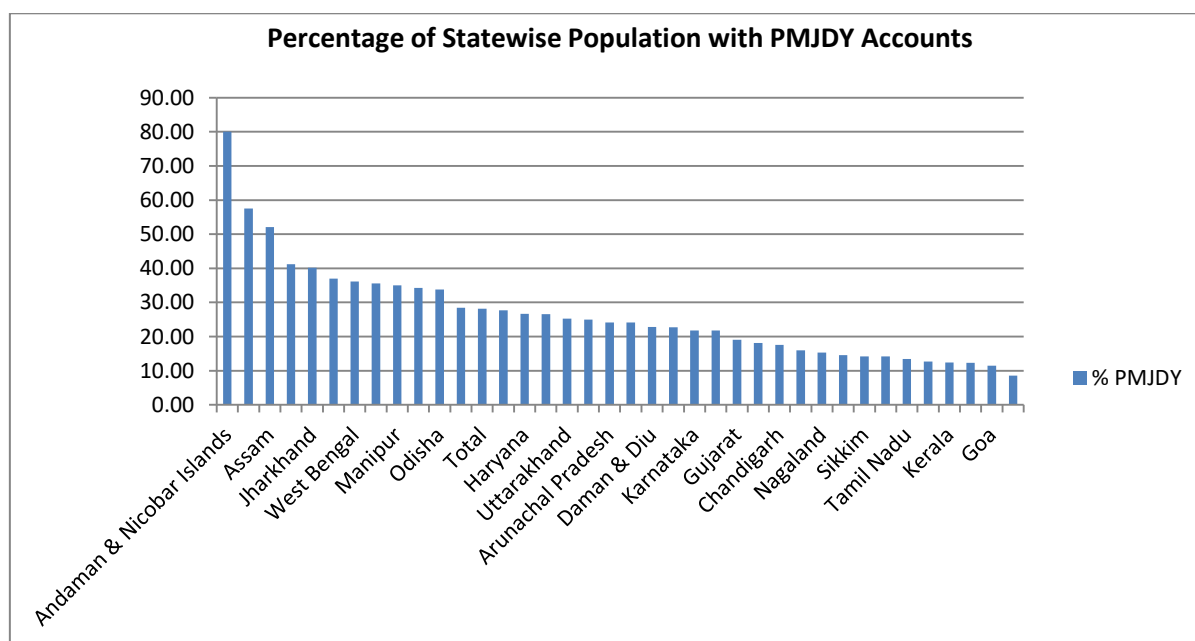
- % PMJDY denotes the proportion of PMJDY account holders among the entire population in every state

- % Rupay denotes the proportion of Rupay revolving credit issued among the whole range of accounts in every state

**Table 2 highlights the following**

- Among all the states, PMJDY theme has been enforced most with success in Andaman & Nicobar Islands (80%).
- Chhattisgarh, Assam, Jharkhand and Madhya Pradesh, Dadra Nagar Haveli, west Bangal, and province have conjointly performed well with over thirty-fifths of PMJDY accounts with relevancy the state population.

**Chart 1: Percentage of PMJDY Accounts with Respect to the State Population**



Comment: The chart for the percentage of PMJDY accounts with respect to the state population. It shows performance of 29 states and 8 union territories. It shows that Andaman nicobar has highest number of percentage and Lakshadweep has the lowest percentage of number of accounts on 29<sup>th</sup> January 2020.

## 8.0 Conclusion

The PMJDY is the government's considerable efforts to confirm money inclusion and to get rid of money untouchability. The PMJDY could be a massive step towards money inclusion. This initiative taken by PM Narendra Modi can facilitate the poor to become financially sturdy and connecting themselves to the vehicle of the economy. This theme has comprehensive coverage because it includes each rural and concrete areas. As way as performance is bothered the performance of public sector banks is sensible as compared to the regional rural banks and personal sector banks to hold PMJDY theme and it's been expeditiously enforced and additionally promoting money acquirement. it's additionally determined that this theme is making overburden on public sector banks. Business correspondents ought to be used by banks in villages and trained earlier for promoting money inclusion programs. Banks got to open additional branches at intervals rural areas and making additional awareness concerning banking services among rural individuals by telling them concerning the advantages of the banking services.

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