

Digitalized Finclusion Through PMJDY In India

Dr. C. Paramasivan, Ph.D.
Assistant Professor of Commerce
Periyar E.V.R. College (Autonomous)
Tiruchirappalli-620023, India

ABSTRACT

Delivery of financial services to the enriched people is one of the services efforts of the country which involves socio-economic development. Digital financial inclusion involves the deployment of the cost-saving digital means to reach currently financially excluded and underserved populations with a range of formal financial services suited to their needs that are responsibly delivered at a cost affordable to customers and sustainable for providers. DFI involves many intermediates intuitions, banks, NGO's and public. This paper made an attempt to discuss Digital financial inclusion with respect to PMJDY:

KEY WORDS: Digitalization, financial inclusion, PMJDY, AEPS, micro ATM, Finclusion

1. INTRODUCTION

Financial inclusion is one of the innovations imitative to include the excited people in the country to avail banking and financial services in an affordable cost. India is one of the best examples for the successful implementation of financial inculcation in 21th century information and communication technology is the major reason for this kind of activities which help to speedy and effective implementation of financial inculcation in the country. Effective utilization of technology in financial inclusion is called as digital financial inclusion. **Paramasivan C and Ganeshkumar V (2013)**, they recommended the banking technology has progressed fast enough and more importantly the realization that the poor is bankable has the poor can access bank. Various measures which the government of India should implement or which are under implementations but should be executed in a more effective manner through micro finance institutions, business facilitators and business correspondents. Our very old post offices will be an ideal channel to pursue the future long term goals of agency banking especially in rural India. Technology can act as very important tool in bridging this gap and can assist in developing a platform in remote areas to widen the financial services. These sophisticated technologies are opening up the new avenues in providing the banking and financial services to the unbanked and under banked people of the country.

DIGITAL FINANCIAL INCLUSION

Digital financial inclusion can be defined generally as digital access to and use of formal financial services by excluded and underserved populations. Such services should be suited to customers' needs, and delivered responsibly, at a cost both affordable to customers and sustainable for providers. There are three key components of any such digital financial services: a digital transactional platform, retail agents, and the use by customers and agents of a device – most commonly a mobile phone – to transact via the platform. The banks and financial establishments need to invest in technology to facilitate delivery of financial products and services in a transparent, righteous and equitable approach, for inclusive growth of the economy.

Susantono, (2016) examined that digital economy is rapidly developing all over the world as they are the huge driver's of growth, competitiveness and innovation. Even though there are many people excluded from the opportunities of digital economy for supporting the financial inclusion for the sustainable economic development. India is creating new conditions in developing the digital financial services which includes identification of good national system, efficient settlements system between the service providers of finance, supportive regulatory environment for different financial services from banks and non banks and government support for the digital financial inclusion.

Priyanka Tanwar(2017), mentioned that the Digital India drive is a dream project of the Indian Government to remodel India into a knowledgeable economy and digitally empowered society, with good governance for citizens by bringing synchronization and co-ordination in public accountability, digitally connecting and delivering the government programs and services to mobilize the capability of information technology across government departments. It is a well-known fact that digital India is the outcome of many innovations and technological advancements.

Mathew Martin P. J. and Manukonda Rabindranath(2017), found that Even though there is a lot yet to be done by BFIs in India in increasing web accessibility, some laudable efforts have been made to use this new medium with global and local reach for financial inclusion. A good website of BFIs in India, to promote financial inclusion for PWDs, would include all possible features of accessibility, participation, information, and networking.

Nisha (2018), explained that majority of people in India don't have access to banking and financial services and as a result they remain excluded from the horizons of economic development of the country. The main reason for this is the absence of the proper delivery model and products which will suit the requirements of the low income group of people. There is great need of the affordable products by the banks and financial institutions so that people can use them and help them in mobilizing their savings into profitable investments.

Sheena Das and Marcus A (2019), suggested that financial inclusion has been the initiative of the government to extend the universal access to banking services with at least one basic bank account for every household. Technology act as an enabler in the implementation of the financial inclusion process and various services being provided by various agencies is aimed at extending banking services to the unbanked populations.

A digital transactional stage enables a customer to use a device to make or receive payments and transfers and to store value electronically with a bank or nonbank permitted to store electronic value. Retail agents armed with a digital device connected to communications infrastructure to convey and receive transaction details enable customers to convert cash into electronically stored value and to transform stored value back into cash. Depending on applicable regulation and the arrangement with the principal financial institution, agents may also perform other functions. Digitalization powers in financial inclusion help to deliver the financial services to unreached people in an effective manner. It reaches the people in a short span of period with least effort. Some of the Government schemes are listed below to enable and successful Digital financial inclusion in the country.

AADHAAR ENABLED PAYMENT SYSTEM

AEPS is a bank led model which allows online interoperable financial inclusion transaction at PoS (MicroATM) through the Business correspondent of any bank using the Aadhaar Authentication.

DIGIDHAN ABHIYAAN

The initiative plans to enable citizens and merchants to undertake real time digital transactions through the DIGIDHAN Bazaar. Through organising DigiDhan Mela's across the country, it aims to handhold users in downloading, installing and using various digital payment systems for carrying out digital transactions.

NREGA-SOFT

NREGAsoft envisions implementing e-Governance across State, District and three tiers of Panchayati Raj Institutions. It empowers the common man using the information technology as a facilitator. NREGAsoft provides information to citizen in compliance with the right to information Act (RTI Act).

PAHAL (DBTL)

The PAHAL (DBTL) aims to reduce diversion and eliminate duplicate or bogus LPG connections. The scheme was earlier launched in 2013 and was modified in 2015. Under the PaHaL scheme, LPG cylinders are sold at market rates and entitled consumers get the subsidy directly into their bank accounts.

PAYGOV INDIA

A National Payment Service platform has been envisaged for a common e-Governance infrastructure that will offer end-to-end transactional experience for a citizen which includes accessing various services through internet with payment gateway interface for online payments.

PRADHAN MANTRI JAN-DHAN YOJANA (PMJDY)

PMJDY is a National Mission on Financial Inclusion encompassing an integrated approach to bring about comprehensive financial inclusion of all the households in the country. The plan envisages universal access to banking facilities at least one basic banking account in every household, financial literacy, access to credit, insurance and pension facility. The initiative envisages channeling all Government benefits (from Centre / State / Local Body) to the beneficiaries' accounts and pushing the Direct Benefits Transfer (DBT) scheme of the Union Government.

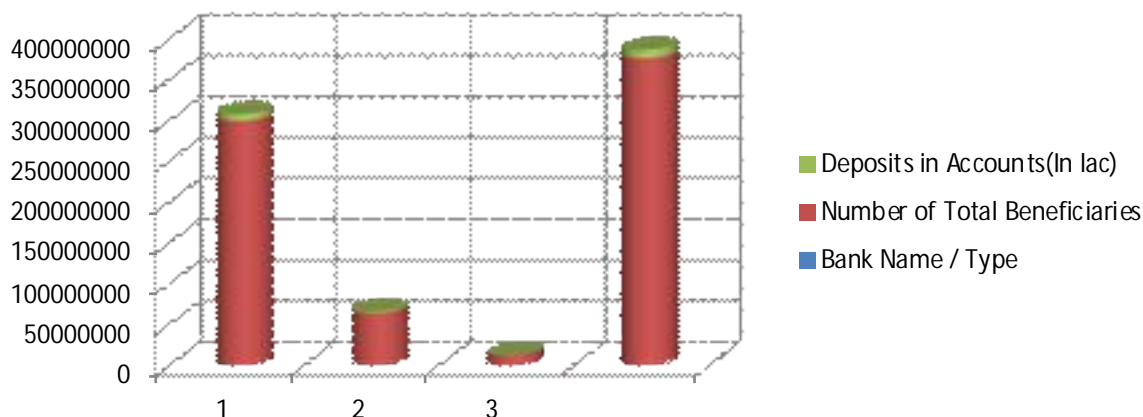
BANK CATEGORY WISE BENEFICIARIES & DEPOSITS AS ON 04/12/2019

S. NO.	BANK NAME / TYPE	NUMBER OF TOTAL BENEFICIARIES	DEPOSITS IN ACCOUNTS (IN LAC)
1	Public Sector Banks	299856873	8524000.69
2	Regional Rural Banks	64212161	1958173.45
3	Private Sector Banks	12519848	308236.42
	Grand Total	376588882	10790410.56

Sources www.PMJDY.gov.in

TABLE NO 1

Table no. 1 reveals that bank category wise performance of pm JDY as on 04.12.2019 with respect to number of beneficiaries at rural semi urban, urban centre bank branches and deposits in accounts. Total number of beneficiaries amounted to 376588882 with the deposit amount of Rs 10790410.56, of which public sector bank opened bank account amounted to 299856873 with the deposited amount of Rs 8524000.69, Regional rural banks opened bank account amounted to 64212161 299856873 with the deposited amount of Rs 1958173.45 and Private sector banks opened bank account amounted to 12519848 with the deposited amount of Rs 308236.42.



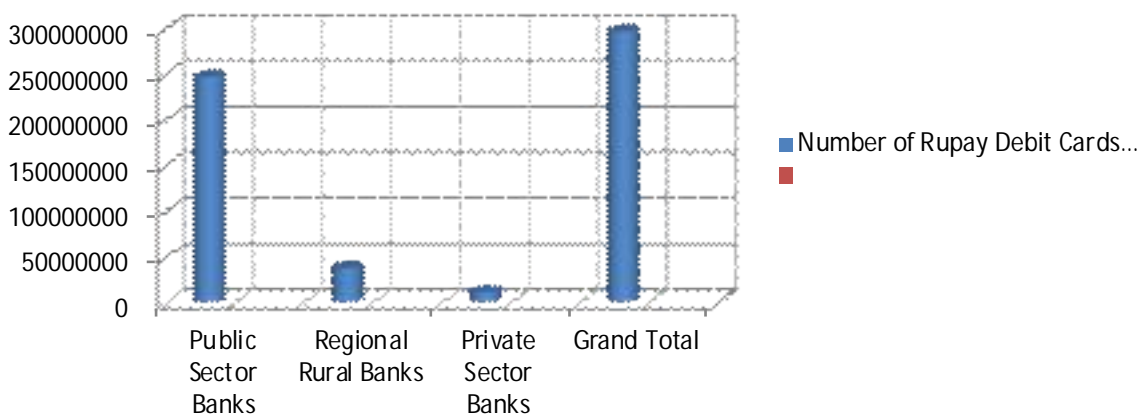
BANK CATEGORY WISE RUPAY DEBIT CARD ISSUED AS ON 04/12/2019

S. NO.	BANK NAME / TYPE	NUMBER OF RUPAY DEBIT CARDS ISSUED TO BENEFICIARIES
1	Public Sector Banks	247401978
2	Regional Rural Banks	37978570
3	Private Sector Banks	11616324
	Grand Total	296996872

Sources: www.PMJDY.gov.in

TABLE NO 2

Table no.2 Total number of Rupay debt card issued to the beneficiaries amounted to 296996872 of which 24401978 cards issued by public sector banks, 37978570 cards issued by RRP, 11616327 cards issued by private Banks as on 04.12.2019.



TOTAL BENEFICIARIES & DEPOSITS IN PUBLIC SECTOR BANKS

S.NO.	BANK NAME / TYPE	NUMBER OF TOTAL BENEFICIARIES	DEPOSITS IN ACCOUNTS (IN LAC)
1	Allahabad Bank	12004694	404913.58
2	Andhra Bank	2918027	60340.31
3	Bank of Baroda	39964911	1228965.78
4	Bank of India	23060078	676756.51
5	Bank of Maharashtra	6045139	166836.10
6	Canara Bank	7527450	260443.91
7	Central Bank of India	14300392	342260.03
8	Corporation Bank	3249031	122704.14
9	Indian Bank	3945174	68370.07
10	Indian Overseas Bank	5026891	123744.52
11	Oriental Bank of Commerce	4968110	433834.85
12	Punjab & Sind Bank	1322331	65761.09
13	Punjab National Bank	19917104	531505.43
14	State Bank of India	118084077	2600133.13
15	Syndicate Bank	5163573	180754.55
16	UCO Bank	8357099	254499.71
17	Union Bank of India	10929831	261799.32
18	United Bank of India	13072961	740377.65
	Sub Total	299856873	8524000.69

Sources: www.PMJDY.gov.in

TABLE NO.3

Table no. 3 indicates that the performance of public sector banks with respect to number of beneficiaries in PMJDY and their deposits as on 04.12.2019. On the whole, 299856873 accounts were opened by public sector banks with available deposits of Rs 8524000.69, of which SBI along constitute 11808407 beneficiaries with Rs 2600133.13 as deposits.

RUPAY CARD ISSUED BY PUBLIC SECTOR BANKS

S.NO.	BANK NAME / TYPE	NUMBER OF RUPAY DEBIT CARDS ISSUED TO BENEFICIARIES
1	Allahabad Bank	6563832
2	Andhra Bank	2155348
3	Bank of Baroda	35056036
4	Bank of India	19692424
5	Bank of Maharashtra	1741292
6	Canara Bank	2032269
7	Central Bank of India	8740026
8	Corporation Bank	2806030
9	Indian Bank	3904695
10	Indian Overseas Bank	4623138
11	Oriental Bank of Commerce	4092165
12	Punjab & Sind Bank	1186750
13	Punjab National Bank	18691148
14	State Bank of India	110670315
15	Syndicate Bank	4149646
16	UCO Bank	4127532
17	Union Bank of India	6739312
18	United Bank of India	10430020
	Total	247401978

Sources: www.PMJDY.gov.in

TABLE NO 4

Table no. 4 indicates that the performance of public sector banks with respect to number of beneficiaries in PMJDY and their deposits as on 04.12.2019. On the whole, 247401978 accounts were opened by public sector banks with available deposits.

TOTAL BENEFICIARIES & DEPOSITS REGIONAL RURAL BANK

S. NO.	BANK NAME/ TYPE	NUMBER OF TOTAL BENEFICIARIES	DEPOSITS IN ACCOUNTS(IN LAC)
1	Andhra Bank	184616	3645.67
2	Bank of Baroda	8790172	288927.54
3	Bank of India	7052856	168131.70
4	Bank of Maharashtra	1660800	40981.04
5	Canara Bank	3625720	126426.29
6	Central Bank of India	3556754	102198.47
7	Indian Bank	858834	12475.83
8	Indian Overseas Bank	1179373	47643.84
9	Jammu & Kashmir Bank Ltd	142565	7338.86
10	Punjab National Bank	6890159	343719.46

11	State Bank of India	15371440	396752.44
12	Syndicate Bank	2510307	80660.39
13	UCO Bank	747715	21560.71
14	Union Bank of India	1732767	51129.06
15	United Bank of India	9908083	266582.14
	Sub Total	64212161	1958173.45

Sources: www.PMJJDY.gov.in

TABLE NO 5

Table no. 5 indicates that the performance of Regional Rural Bank with respect to number of beneficiaries in PMJDY and their deposits as on 04.12.2019. On the whole, 64212161 accounts were opened by Regional Rural Bank with available deposits of Rs 1958173.45 of which SBI along constitute 15371440 beneficiaries with Rs 396752.44 as deposits.

TOTAL BENEFICIARIES & DEPOSITS REGIONAL RURAL BANK

S. NO.	BANK NAME / TYPE	NUMBER OF RUPAY DEBIT CARDS ISSUED TO BENEFICIARIES
1	Andhra Bank	101922
2	Bank of Baroda	6397935
3	Bank of India	4932514
4	Bank of Maharashtra	884667
5	Canara Bank	1710663
6	Central Bank of India	2992889
7	Indian Bank	595904
8	Indian Overseas Bank	592116
9	Jammu & Kashmir Bank Ltd	28921
10	Punjab National Bank	3608730
11	State Bank of India	5967092
12	Syndicate Bank	2199818
13	UCO Bank	197300
14	Union Bank of India	975582
15	United Bank of India	6792517
	Total	37978570

Sources: www.PMJJDY.gov.in

TABLE NO 6

Table no. 6 indicates that the performance of Regional Rural Bank with respect to number of beneficiaries in PMJDY and their deposits as on 04.12.2019. On the whole, 37978570 accounts were opened by Regional Rural Bank with available deposits.

TOTAL BENEFICIARIES & DEPOSITS MAJOR PRIVATE BANKS

S. NO.	BANK NAME / TYPE	NUMBER OF TOTAL BENEFICIARIES	DEPOSITS IN ACCOUNTS (IN LAC)
1	Axis Bank Ltd	884220	22467.91
2	City Union Bank Ltd	85719	1467.67
3	Federal Bank Ltd	574122	23305.08
4	HDFC Bank Ltd	2475499	119097.27
5	ICICI Bank Ltd	4734805	27660.27

6	IDBI Bank Ltd.	843100	25304.03
7	IndusInd Bank Ltd	429147	2918.87
8	Jammu & Kashmir Bank Ltd	1618335	74552.06
9	Karur Vysya Bank	205304	1779.25
10	Kotak Mahindra Bank Ltd	168539	2213.12
11	Lakshmi Vilas Bank Ltd	181300	1955.75
12	RBL Bank Ltd	107964	291.25
13	South Indian Bank Ltd	199951	5025.00
14	Yes Bank Ltd	11843	198.90
	Sub Total	12519848	308236.42
Disclaimer: Information is based upon the data as submitted by Public Sector Banks, Regional Rural Banks and Major Private Sector Banks.			

Sources: www.PMJDY.gov.in

TABLE NO 7

Table no. 7 indicates that the performance of Major Private Banks with respect to number of beneficiaries in PMJDY and their deposits as on 04.12.2019. On the whole, 12519848 accounts were opened by Major Private Banks with available deposits of Rs 308236.42 of which ICICI Bank Ltd 4734805 beneficiaries with Rs 308236.42 as deposits.

TOTAL BENEFICIARIES & DEPOSITS MAJOR PRIVATE BANKS

S.No.	Bank Name / Type	Number of Rupay Debit Cards issued to beneficiaries
1	Axis Bank Ltd	766425
2	City Union Bank Ltd	84541
3	Federal Bank Ltd	320310
4	HDFC Bank Ltd	2474821
5	ICICI Bank Ltd	4734805
6	IDBI Bank Ltd.	708545
7	IndusInd Bank Ltd	398591
8	Jammu & Kashmir Bank Ltd	1430885
9	Karur Vysya Bank	201832
10	Kotak Mahindra Bank Ltd	125991
11	Lakshmi Vilas Bank Ltd	152062
12	RBL Bank Ltd	105362
13	South Indian Bank Ltd	100636
14	Yes Bank Ltd	11518
	Sub Total	11616324
Disclaimer: Information is based upon the data as submitted by Public Sector Banks, Regional Rural Banks and Major Private Sector Banks.		

Sources: www.PMJDY.gov.in

TABLE NO. 8

Table no. 8 indicates that the performance of Major Private Banks with respect to number of beneficiaries in PMJDY and their deposits as on 04.12.2019. On the whole, 11616324 accounts were opened by Major Private Banks with available deposits.

TOTAL BENEFICIARIES

S. NO.	STATE NAME	TOTAL BENEFICIARIES	BALANCE IN BENEFICIARY ACCOUNTS (IN CRORE)
1	Andaman & Nicobar Islands	49,483	23.66
2	Andhra Pradesh	1,03,63,196	2,032.86
3	Arunachal Pradesh	3,29,171	121.42
4	Assam	1,61,22,415	3,733.02
5	Bihar	4,29,07,419	11,327.82
6	Chandigarh	2,51,078	115.04
7	Chhattisgarh	1,46,17,640	3,202.29
8	Dadra & Nagar Haveli	1,25,753	56.33
9	Daman & Diu	55,142	21.89
10	Delhi	45,10,476	1,879.82
11	Goa	1,64,481	94.68
12	Gujarat	1,46,68,513	4,634.88
13	Haryana	73,55,535	3,430.20
14	Himachal Pradesh	12,67,408	683.34
15	Jammu & Kashmir	21,05,406	958.47
16	Jharkhand	1,31,23,257	3,694.55
17	Karnat aka	1,47,86,088	3,927.87
18	Kerala	42,84,110	1,343.99
19	Ladakh	18,927	14.07
20	Lakshadweep	5,447	8.15
21	Madhya Pradesh	3,22,52,017	5,458.93
22	Maharashtra	2,65,62,918	6,432.94
23	Manipur	9,43,260	200.58
24	Meghalaya	4,71,319	198.47
25	Mizoram	3,10,715	103.13
26	Nagaland	3,01,465	62.5
27	Odisha	1,53,39,765	5,200.72
28	Puducherry	1,56,968	43.35
29	Punjab	68,91,745	2,751.26
30	Rajasthan	2,65,24,586	8,000.21
31	Sikkim	93,517	39.76
32	Tamil Nadu	1,05,55,463	2,042.00
33	Telangana	97,50,500	1,667.41
34	Tripura	8,81,511	669.07
35	Uttar Pradesh	6,01,17,537	19,661.23
36	Uttarakhand	25,39,454	1,188.10
37	West Bengal	3,57,85,197	12,880.10
	Total	37,65,88,882	1,07,904.11

Sources www.PMJJDY.gov.in

TABLE NO.9

Table no. 9 reveals that state wise performance of PMJDY as on 04.12.2019 Highest number of beneficiaries (6,01,17,537) found in Uttar Pradesh with the deposit of Rs 19,661.23 lash followed by Highest number of beneficiaries (4,29,07,419) found in Bihar with the deposit of Rs 19,661.23 lash (11,327.82), followed by Highest number of beneficiaries (3,22,52,017) found in Madhya Pradesh with the deposit of Rs (5,458.93).

NO. OF RUPAY CARDS ISSUED TO BENEFICIARIES

S.NO.	STATE NAME	NO. OF RUPAY CARDS ISSUED TO BENEFICIARIES
1	Andaman & Nicobar Islands	41,320

2	Andhra Pradesh	84,36,190
3	Arunachal Pradesh	2,87,601
4	Assam	1,24,93,420
5	Bihar	3,49,75,588
6	Chandigarh	1,87,060
7	Chhattisgarh	1,04,40,519
8	Dadra & Nagar Haveli	83,626
9	Daman & Diu	42,736
10	Delhi	38,47,715
11	Goa	1,23,940
12	Gujarat	1,20,96,388
13	Haryana	58,00,182
14	Himachal Pradesh	10,04,642
15	Jammu & Kashmir	17,11,906
16	Jharkhand	1,04,15,036
17	Karnataka	1,03,60,788
18	Kerala	26,68,034
19	Ladakh	19,301
20	Lakshadweep	5,173
21	Madhya Pradesh	2,50,58,528
22	Maharashtra	1,90,69,558
23	Manipur	7,23,504
24	Meghalaya	3,33,036
25	Mizoram	86,071
26	Nagaland	2,51,838
27	Odisha	1,28,11,832
28	Puducherry	1,18,089
29	Punjab	56,61,395
30	Rajasthan	2,08,47,019
31	Sikkim	71,133
32	Tamil Nadu	86,91,289
33	Telangana	80,15,306
34	Tripura	6,85,732
35	Uttar Pradesh	4,81,48,253
36	Uttarakhand	20,47,573
37	West Bengal	2,93,35,551
	Total	29,69,96,872

Sources: www.PMJDY.gov.in

TABLE NO 10

Table no. 10 reveals that state wise performance of PMJDY as on 04.12.2019 Highest number of beneficiaries (4,81,48,253) found in Uttar Pradesh. Highest number of beneficiaries(3,49,75,588) found in Bihar, Highest number of beneficiaries (2,93,35,551) found in West Bengal and Highest number of beneficiaries (2,50,58,528) found in Madhya Pradesh.

2. CONCLUSION

Proper distribution of assistance and subsidiary to the needy beneficiaries is one of challenging task to success the government programme particularly in financial aspects. The Digital India programme is a flagship programme of the Government of India with a vision to transform India into a digitally empowered society and knowledge economy. The following are the major initiatives of the central government taken to stronger then the digital financial inclusion in the country. It is conclude that, PMJDY is one of the most significant schemes to include the excluded people through opining of a bank account. As on 04.12.2019, there are 37.65 crore bank account were open under PMJDY with the accumulated deposits of Rs 10790410.56.

3. REFERENCES

- [1] Mathew Martin P. J. and Manukonda Rabindranath (2017), “Digital Inclusion for Access to Information: A Study on Banking and Financial Institutions in India”, SAGE Open, vol. 7, 3, First Published September 8, 2017.
- [2] Nisha (2018), “Technology and Financial Inclusion: An Agenda for Holistic Growth”, International Journal of Management Studies ISSN2249-0302, ISSN 2231-2528, Vol.– V, Issue –2(2), April 2018.
- [3] Paramasivan C and Ganeshkumar V (2013), “Overview of Financial Inclusion in India” International Journal of Management and Development Studies Volume No. 2 (2013), Issue No. 3 (March) ISSN (Online): 2320-0685.
- [4] Priyanka Tanwar(2017), “A Stepping Stone Towards Digital Economy & Financial Inclusion Through Digital India”, International Journal of Science Technology and Management, Vol. No. 6, Issue No. 04, April, 2017.
- [5] Sheena Das and Marcus A (2019), “Digital Technologies for Financial Inclusion in the Banking Sector”, International Journal of Research in Advent Technology (IJRAT) Special Issue E-ISSN: 2321-9637.
- [6] Susantono, B. (2016). “Financial Inclusion in the digital economy” Asian Development Bank. Pp. 1 74.