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IMPACT OF PRADHAN MANTRI JAN DHAN YOJANA (PMJDY) ON BENEFICIARIES: A COMPREHENSIVE STUDY

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ABSTRACT Financial inclusion has emerged as an important instrument for achieving inclusive economic growth and social development in India. The present study examines the impact and benefits of financial inclusion schemes and digital banking services among beneficiaries. The study is based on primary data collected from 100 respondents belonging to different socio-economic backgrounds from Rewari district of Haryana. The research analyses benefits availed under the scheme, and the socio-economic impact of banking facilities such as zero-balance account opening, Direct Benefit Transfer (DBT), overdraft facilities, online banking, and digital money transfer services. Statistical analysis using One-way ANOVA was applied to examine the impact of these services on respondents. The most availed benefits were DBT of government benefits and zero-balance account opening, indicating the success of financial inclusion initiatives in expanding banking access. The study further shows that online banking simplified KYC procedures, reduced banking costs, increased transaction frequency, improved transparency through DBT, and enhanced the standard of living of beneficiaries. The statistical results indicate that all the selected impacts were significant at the 5% level of significance.

KEYWORDS : Financial Inclusion, PMJDY, Financial Literacy Programs, DBT, Underprivileged.

1. INTRODUCTION

Financial inclusion has been a cornerstone of India's strategy for reducing poverty and empowering marginalized populations. The PMJDY was conceived as a National Mission for Financial Inclusion-ensuring that every household in India has access to formal banking and related financial services. Under the scheme, accounts can be opened with zero balance, beneficiaries receive RuPay debit cards, and are provided with insurance and overdraft facilities.

Since its inception, the Yojana has grown rapidly and is considered one of India's most successful inclusion initiatives. Despite of India completing 72 years of independence and increased rate of GDP over the years, only 35% of adults have bank account in financial institutions which shows the penetration level is very low in India compared to the developed economies. The RBI and Government of India have taken continuous efforts since 2005 to increase financial inclusion, but the results are not impressive because a vast population, particularly the rural population still remains unbanked. Therefore to increase the penetration level and support financial inclusion Pradhan Mantri Jan Dhan Yojana (PMJDY) was announced on 15th August, 2014 and launched on 28th August, 2014. The objective of PMJDY is to ensure 'access to various financial services like availability of basic savings bank account, access to need based credit, remittances facility, insurance and pension to the excluded sections, i.e., weaker sections and low income groups'. The data of Pradhan Mantri Jan-Dhan Yojana reveals that the scheme has significantly strengthened financial inclusion in India. As on 29 April 2026, a total of 58.16 crore beneficiaries were covered under the scheme with deposits amounting to 3,52,358.98 crore and 40.46 crore RuPay debit cards issued.

2. REVIEW OF LITERATURE

Joshi & Patil (2025) found a massive increase in number of accounts opened with positive growth rate, while the study also showed a decrease trend in zero balance accounts. **Narmadha et al. (2025)** analyzed that this scheme has been instrumental in increasing financial inclusion in India by providing access to various banking facilities, promoting financial literacy and access to credit facilities as well as insurance plans. **Ratnaparkhi & Vishwakarma (2025)** revealed a strong impact of this scheme on the financial inclusion index. The findings exhibited that every increase in additional beneficiary leads to increase in financial inclusion index. **Divya et al. (2024)** found the primary reasons for opening an account minimum balance requirement and the opportunity to access government benefits. The study further revealed that the scheme's benefits are not impacted by demographic factors such as gender, age, qualification, and experience and this scheme have a significant impact of 76% on financial empowerment. **Gulla & Sharma (2024)** analyzed lower accessibility to banks and highest growth rate was in 2016 (45.58%), the lowest growth rate was in 2024 (6.76%). However, the number of total beneficiaries has continued to grow steadily each year. **Kale et al. (2024)** concluded that PMJDY had significantly affected these key areas among women SHGs in Pune and women SHGs with PMJDY accounts showed higher levels of financial literacy, experienced greater income augmentation, and demonstrated enhanced social empowerment compared to those without PMJDY accounts. **Shallini (2024)** found the number of Indian farmers under financial inclusion was taken as a dependent variable and PMJDY was taken as an independent variable with the findings that there is a positive relation between the number of farmers and PMJDY.

3. OBJECTIVES OF THE STUDY

To know the benefits availed by beneficiaries and their Impact on beneficiaries.

4. RESEARCH HYPOTHESIS

H_0: There is no significant impact of benefits of PMJDY on beneficiaries.

H_1: There is a significant impact of benefits of PMJDY on beneficiaries.

5. RESEARCH METHODOLOGY

The present study is descriptive and analytical in nature and aims to examine the benefits, and impact of financial inclusion schemes and digital banking services on beneficiaries. The study focuses on analyzing the influence of banking facilities such as zero-balance accounts, Direct Benefit Transfer (DBT), overdraft facilities, online banking, and digital money transfer services on the socio-economic condition of respondents. Both primary and secondary data have been used for the study. Primary data were collected through a structured questionnaire from 100 respondents selected through the convenience sampling method from Rewari District, Haryana both rural and urban areas. Secondary data were collected from research papers, journals, government reports, RBI reports, books, articles, and official websites related to financial inclusion and digital banking. The collected data were classified, tabulated, and analyzed using statistical tools such as percentage analysis, F-test (ANOVA), and p-value analysis at a 5 percent level of significance.

6. DISCUSSION & ANALYSIS: Demographical variables of the Respondents have been shown in below table no 1.

Table 1: Demographical Variables of the Respondents

S. No.	Particulars	Variables	%
1.	Gender	Male	65%
		Female	45%
2.	Area	Rural	40%
		Urban	60%
3.	Marital Status	Married	65%
		Unmarried	45%
4.	Educational Qualifications	Uneducated	08%
		10th	45%
		12th	35%
		Graduate	08%
		Post Graduate	04%

5.	Age (yrs)	Below 20	12%
		20-40	56%
		40-60	14
		Above 60	18%
6.	Occupation	Home Maker	25%
		Student	10%
		Farmer	20%
		Private job	35%
		Govt. Job	10%
7.	Annual Income (rs)	Less than 1 lakh	22%
		1 lakh-2 lakh	55%
		2 lakh-3 lakh	15%
		above 3 lakh	08%

(Source: Primary data)

The demographic profile of respondents indicates that the majority of beneficiaries were male and belonged to urban areas. Most respondents were married and belonged to the 20–40 years age group. The educational profile reveals that a large number of respondents had education up to the 10th and 12th standard. Occupational analysis shows that respondents were engaged in private jobs, farming, homemaking, and other professions. The income distribution further reveals that the majority of beneficiaries belonged to low- and middle-income categories, particularly those earning between 1 lakh and 2 lakh annually.

Table 2: Benefits Availed by Beneficiaries

S. No	Benefits of the Scheme	No. of Beneficiaries	%
1.	Zero balance account opening	78	78%
2.	Interest on deposits	56	56%
3.	Accidental insurance of Rs 1 lakh	45	45%
4.	Life insurance of Rs 30,000	34	34%
5.	Overdraft facility of Rs 10,000	22	22%
6.	DBT of Government benefits	79	79%
7.	Easy transfer of money anywhere	67	67%

(Source: Primary data)

The findings reveal that (DBT) was the most widely used benefit, received by 79% of respondents, indicating effective transfer of government benefits directly into bank accounts. Around 78% of beneficiaries availed zero-balance account facilities, reflecting the success of the scheme in promoting financial inclusion among economically weaker sections. About 67% of respondents benefited from easy money transfer services, showing increased use of digital banking facilities. Interest on deposits was received by 56% of respondents, and Insurance benefits were moderately utilized, with 45% availing accidental insurance and 34% receiving life insurance benefits. The overdraft facility was the least utilized benefit, availed by only 22% of respondents.

7. TESTING OF HYPOTHESIS

One-way ANOVA has been used to test whether there is a significant impact of the benefits of this scheme on beneficiaries or not. Demographic variables of the respondents like gender, age, educational qualification, and annual income are assumed as an Independent variable and mean scores of responses of the respondents regarding Impact of government benefits availed through PMJDY account, are assumed as dependent Variable.

Table 3: Impact of benefits of this scheme on Beneficiaries

S.No	Impacts/ Benefits	F Statistics	Sig. (p-Value)
1.	Frequency to make transactions has increased due to zero balance account opening	**3.215**	**.001**
2.	Disposable income has increased due to overdraft facility	**4.294**	**.004**
3.	Standard of living has improved due to transfer of money anytime, anywhere	**3.784**	**.043**
4.	Frequency to visit at banks has increased	**5.020**	**.014**
5.	KYC norms has simplified due to online banking	**8.120**	**.000**
6.	Reduction in bank charges due to no requirement of minimum balance	**4.250**	**.019**
7.	Reduction in corruption due to DBT of various Govt scheme's benefits	**2.650**	**.038**

(Source: Primary data)

The table shows the impact and benefits of banking and digital financial inclusion initiatives based on F-statistics and significance values (p-values). The p-value for all variables is less than 0.05, which indicates that all the stated impacts are statistically significant. Therefore, the null hypothesis is rejected in each case, and it can be concluded that these banking facilities have created meaningful benefits for the respondents.

8. FINDINGS AND CONCLUSION

1. Insurance and overdraft facilities were comparatively less utilized, possibly due to limited awareness and eligibility conditions.
2. The statistical analysis confirmed that zero-balance account facilities increased the frequency of banking transactions, while online banking significantly simplified KYC procedures and improved convenience for beneficiaries.
3. Digital banking services also enhanced the standard of living by enabling secure and faster financial transactions. Furthermore, the removal of minimum balance requirements reduced bank charges and encouraged wider participation in banking services.
4. Overall, all selected variables showed statistically significant positive impacts, confirming the effectiveness of financial inclusion schemes and digital banking initiatives in improving the socio-economic conditions of beneficiaries.

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