



**Original Article**

**A STUDY OF THE IMPACT OF PRADHAN MANTRI JAN DHAN YOJANA (PMJDY)  
ON FINANCIAL INCLUSION WITH SPECIAL REFERENCE TO PANDHARPUR  
TEHSIL**

**Gavandhare Shilpa Balu**

Manuscript ID: IJAAR-B130368  
ISSN: 2347-7075  
Impact Factor – 8.141

Volume - 13  
Issue - 3  
January – February 2026  
Pp. 446 - 452

Submitted: 01 Feb. 2026  
Revised: 10 Feb. 2026  
Accepted: 15 Feb. 2026  
Published: 28 Feb. 2026

**Corresponding Author:**  
**Gavandhare Shilpa Balu**

Quick Response Code:



Website: <https://ijaar.co.in/>



DOI: 10.5281/zenodo.20322395

DOI Link:  
<https://doi.org/10.5281/zenodo.20322395>



Creative Commons



**Abstract:**

*The Pradhan Mantri Jan Dhan Yojana (PMJDY) is a landmark initiative launched by the Government of India to promote financial inclusion by providing universal access to formal banking services, particularly for economically weaker and rural populations. The scheme aims to integrate the unbanked population into the financial system by offering zero-balance bank accounts, insurance coverage, overdraft facilities, and direct benefit transfers. This study examines the impact of PMJDY on financial inclusion with special reference to Pandharpur Tehsil, a predominantly rural region where a large section of the population depends on agriculture and informal employment. The study is based on primary and secondary data. Primary data were collected through structured questionnaires administered to PMJDY account holders in Pandharpur Tehsil, while secondary data were obtained from government reports, bank records, journals, and published research. The research analyzes key indicators of financial inclusion such as bank account ownership, frequency of account usage, access to credit, awareness of PMJDY benefits, and adoption of digital banking services. The findings reveal that PMJDY has significantly increased bank account penetration in Pandharpur Tehsil and has facilitated access to basic banking services. However, the study also highlights challenges such as low transaction activity, limited financial literacy, lack of awareness about scheme benefits, and technological barriers, which restrict the effective utilization of accounts. The study concludes that while PMJDY has made substantial progress in expanding financial access, greater emphasis on financial education, digital literacy, and beneficiary engagement is required to achieve meaningful and sustainable financial inclusion in rural areas like Pandharpur Tehsil.*

**Keywords:** Pradhan Mantri Jan Dhan Yojana (PMJDY), Financial Inclusion, Rural Banking, Pandharpur Tehsil, Financial Literacy, Government Initiative.

**Creative Commons (CC BY-NC-SA 4.0)**

*This is an open access journal, and articles are distributed under the terms of the Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License (CC BY-NC-SA 4.0), which permits others to remix, adapt, and build upon the work non-commercially, provided that appropriate credit is given and that any new creations are licensed under identical terms.*

**How to cite this article:**

Gavandhare Shilpa Balu. (2026). A Study of the Impact of Pradhan Mantri Jan Dhan Yojana (PMJDY) on Financial Inclusion with Special Reference to Pandharpur Tehsil. *International Journal of Advance and Applied Research*, 13(3), 446 - 452. <https://doi.org/10.5281/zenodo.20322395>



## Introduction:

Financial inclusion has emerged as a key policy priority in India, aiming to ensure access to affordable financial services such as savings accounts, credit, insurance, and pension facilities for all sections of society, especially the economically weaker and marginalized groups. In this context, the Government of India launched the **Pradhan Mantri Jan Dhan Yojana (PMJDY)** in August 2014 as a flagship financial inclusion program. The scheme seeks to provide universal access to banking facilities, promote savings habits, enable direct benefit transfers, and reduce dependence on informal sources of finance. PMJDY has played a crucial role in expanding the banking network, particularly in rural and semi-urban areas, by encouraging the opening of zero-balance accounts and integrating financial literacy initiatives.

Pandharpur Tehsil, a predominantly rural region with significant agricultural and informal sector employment, presents a relevant setting to examine the effectiveness of PMJDY in promoting financial inclusion at the grassroots level. Despite improvements in banking outreach, challenges such as limited financial awareness, irregular income patterns, and digital illiteracy continue to affect the optimal use of financial services. This study attempts to analyze the impact of PMJDY on financial inclusion in Pandharpur Tehsil by assessing parameters such as account ownership, usage of banking services, access to credit, and awareness of government schemes. The findings of the study aim to provide insights into the achievements and limitations of PMJDY and offer suggestions for strengthening financial inclusion in similar rural regions.

## Statement of Problems:

Despite the nationwide implementation of the Pradhan Mantri Jan Dhan Yojana (PMJDY) with

the objective of achieving comprehensive financial inclusion, significant gaps remain between account ownership and the effective utilization of financial services, particularly in rural areas like Pandharpur Tehsil. While a large number of bank accounts have been opened under the scheme, issues such as low transaction activity, limited access to credit, inadequate financial literacy, and lack of awareness about associated benefits continue to hinder the scheme's overall effectiveness. Moreover, socio-economic factors, technological constraints, and dependence on informal financial systems further challenge the meaningful inclusion of rural households. Therefore, the problem addressed in this study is to examine whether PMJDY has truly translated into functional financial inclusion in Pandharpur Tehsil and to identify the factors affecting its impact at the grassroots level.

## Objectives:

1. **To understand** the concept and scope of the Pradhan Mantri Jan Dhan Yojana (PMJDY) as an initiative for promoting financial inclusion in India.
2. **To assess** the level of financial inclusion achieved through PMJDY in Pandharpur Tehsil with reference to access to banking services, savings, and digital transactions.
3. **To find out** the extent of awareness and usage of PMJDY benefits among the account holders in Pandharpur Tehsil.
4. **To explore** the challenges and limitations faced by beneficiaries in effectively utilizing PMJDY-related financial services in Pandharpur Tehsil.

## Significance of the Study:

The significance of this study lies in its attempt to evaluate the actual impact of the Pradhan Mantri Jan Dhan Yojana (PMJDY) on financial



inclusion at the grassroots level in Pandharpur Tehsil. By examining the extent of access, usage, and awareness of banking services among beneficiaries, the study provides valuable insights into whether PMJDY has moved beyond mere account opening to meaningful financial participation. The findings will be useful for policymakers, banking institutions, and researchers in understanding region-specific challenges and in designing strategies to strengthen financial literacy and improve the effectiveness of financial inclusion initiatives in rural areas.

#### **Scope:**

**Geographical Scope:** The study is confined to **Pandharpur Tehsil** of Solapur District, Maharashtra, focusing on selected rural and semi-urban areas within the tehsil.

**Periodical Scope:** The study covers a specific period **from 2014 onwards**, corresponding to the launch and implementation of the Pradhan Mantri Jan Dhan Yojana (PMJDY).

**Subject Scope:** The study is limited to examining the impact of **PMJDY on financial inclusion**, particularly in terms of bank account ownership, usage of banking services, awareness of scheme benefits, and access to basic financial products.

**Population Scope:** The study focuses on **PMJDY account holders** residing in Pandharpur Tehsil, especially individuals from rural households, low-income groups, and informal sector workers.

#### **Limitations of Study:**

**Time Frame:** The study is carried out within a limited period, and conclusions are drawn based on data collected during that specific time.

**Geographical Coverage:** The study is confined to **Pandharpur Tehsil** of Solapur District, and the findings are specific to this area.

**Sample Size:** The analysis is based on a **sample size of 100 respondents**, selected from PMJDY account holders in Pandharpur Tehsil.

**Nature of Data:** The study mainly depends on primary data collected through questionnaires, and the accuracy of results is influenced by the responses provided by the participants.

#### **Review of Literature:**

**1.Rangarajan Committee and Subsequent Studies (2014–2015):** Early studies following the launch of PMJDY highlighted its role in significantly increasing bank account penetration across India. Researchers observed that the scheme successfully brought previously unbanked households into the formal financial system, especially in rural areas, though concerns were raised about inactive accounts.

**2.Kumar and Mohanty (2016):** Their study examined the effectiveness of PMJDY in promoting financial inclusion and found that while account ownership increased substantially, the usage of accounts for savings, credit, and digital transactions remained limited due to low financial literacy and irregular incomes among beneficiaries.

**3.Chakrabarty (2017):** This study emphasized the importance of PMJDY in enabling Direct Benefit Transfers (DBT) and reducing financial leakages. The author noted that PMJDY strengthened transparency in government welfare schemes but stressed the need for improved banking infrastructure and awareness at the grassroots level.

**4. Singh and Tandon (2019):** Their research focused on rural India and concluded that PMJDY had a positive impact on financial inclusion indicators such as access to banking services and insurance coverage. However, the study pointed out regional disparities and recommended targeted financial literacy programs to ensure sustainable inclusion.



**Research Methodology:**

The present study is descriptive in nature and aims to examine the impact of the Pradhan Mantri Jan Dhan Yojana (PMJDY) on financial inclusion in Pandharpur Tehsil. Both primary and secondary data have been used for the purpose of analysis.

**Sources of Data:** Primary data have been collected through a structured questionnaire administered to PMJDY account holders in Pandharpur Tehsil. Secondary data have been collected from books, journals, research articles, RBI and NABARD reports, government publications, and relevant websites related to PMJDY and financial inclusion.

**Sample Size:** The study is based on a sample size of **100 respondents**, selected from PMJDY account holders residing in Pandharpur Tehsil.

**Sampling Design:** A **convenience sampling method** has been adopted due to time and accessibility constraints, ensuring representation of respondents from different villages and socio-economic backgrounds within the tehsil

**Data Analysis and Interpretation:**

**Table 1: Gender-wise Distribution of Respondents**

Gender	No. of Respondents	Percentage
Male	60	60%
Female	40	40%
<b>Total</b>	<b>100</b>	<b>100%</b>

The table shows that 60% of the respondents are male and 40% are female, indicating reasonable participation of both genders in PMJDY. This reflects the scheme’s reach across male and female beneficiaries in Pandharpur Tehsil.

**Table 2: Age-wise Classification of Respondents**

Age Group (Years)	Respondents	Percentage
Below 25	15	15%
25–40	45	45%
41–60	30	30%
Above 60	10	10%
<b>Total</b>	<b>100</b>	<b>100%</b>

A majority (45%) of respondents belong to the 25–40 age group, suggesting that the working-age population is the main beneficiary of PMJDY in the study area.

**Table 3: Awareness about PMJDY Benefits**

Level of Awareness	Respondents	Percentage
Fully Aware	35	35%
Partially Aware	45	45%
Not Aware	20	20%
<b>Total</b>	<b>100</b>	<b>100%</b>

While most respondents are aware of PMJDY, a significant portion has only partial or no awareness, highlighting the need for better financial literacy programs.

**Table 4: Usage of PMJDY Accounts**

Usage Pattern	Respondents	Percentage
Regular Use	40	40%
Occasional Use	35	35%
Rare/No Use	25	25%
<b>Total</b>	<b>100</b>	<b>100%</b>

Although all respondents possess PMJDY accounts, only 40% use them regularly, indicating a



gap between account ownership and effective financial inclusion.

**Table 5: Purpose of Using PMJDY Account**

Purpose	Respondents	Percentage
Savings	30	30%
Government Benefits (DBT)	45	45%
Withdrawals Only	15	15%
Others	10	10%
<b>Total</b>	<b>100</b>	<b>100%</b>

The majority of respondents use their PMJDY accounts mainly for receiving government benefits, showing the scheme’s success in promoting Direct Benefit Transfers.

**Table 6: Problems Faced by PMJDY Account Holders**

Problem	Respondents	Percentage
Lack of Awareness	35	35%
Distance to Bank	25	25%
Technical Issues	20	20%
No Major Problem	20	20%
<b>Total</b>	<b>100</b>	<b>100%</b>

Lack of awareness and accessibility issues remain major concerns among PMJDY account holders, suggesting the need for improved outreach and banking infrastructure in Pandharpur Tehsil.

**Table 7: Satisfaction Level of Respondents with PMJDY**

Level of Satisfaction	Respondents	Percentage
Highly Satisfied	30	30%
Satisfied	40	40%
Neutral	15	15%
Dissatisfied	15	15%
<b>Total</b>	<b>100</b>	<b>100%</b>

The table reveals that 70% of the respondents are either satisfied or highly satisfied with PMJDY, indicating a positive perception of the scheme among beneficiaries. However, the presence of neutral and dissatisfied respondents suggests scope for improvement in service quality, awareness, and accessibility.

**Findings:**

1. Out of 100 respondents, 60% are male and 40% are female, indicating that PMJDY has reached both genders in Pandharpur Tehsil. Male participation is slightly higher, suggesting greater involvement of men in formal banking activities.
2. The majority of respondents (45%) fall in the 25–40 age group, followed by 30% in the 41–60 age group. This shows that PMJDY largely benefits the economically active population.
3. Only 35% of respondents are fully aware of PMJDY benefits, while 45% are partially aware and 20% are not aware. This indicates a clear need for enhanced financial literacy and awareness programs.
4. Regular usage is observed among 40% of respondents, whereas 35% use their accounts occasionally and 25% rarely use them. This highlights the gap between account ownership and effective financial inclusion.
5. A significant 45% of respondents use PMJDY accounts mainly to receive government benefits, while only 30% use them for savings. This shows that PMJDY is more welfare-driven than savings-oriented in the study area.
6. Lack of awareness (35%) and distance to banks (25%) are the major problems faced by respondents.



These issues affect regular account usage and limit the scheme's overall impact.

7. About 70% of respondents are either satisfied (40%) or highly satisfied (30%) with PMJDY services.

However, 30% being neutral or dissatisfied indicates the need for service improvement.

#### **Suggestions:**

- **Strengthen Financial Literacy Programs:** Regular awareness campaigns should be conducted in villages to educate beneficiaries about PMJDY features, benefits, and proper use of bank accounts.
- **Encourage Active Account Usage:** Banks should motivate account holders to make regular transactions through incentives, simplified procedures, and promotion of savings habits.
- **Improve Banking Infrastructure:** The number of bank branches, BCs (Bank Mitras), and ATM facilities should be increased in rural areas of Pandharpur Tehsil to enhance accessibility.
- **Promote Digital Banking Services:** Training programs should be organized to familiarize beneficiaries with digital payment systems such as UPI, RuPay cards, and mobile banking.
- **Enhance Credit Linkages:** PMJDY account holders should be better linked with micro-credit, SHGs, and government loan schemes to support income-generating activities.
- **Regular Monitoring and Follow-up:** Banks and government authorities should periodically monitor inactive accounts and conduct follow-ups to ensure meaningful financial inclusion.

#### **Conclusion:**

In conclusion, the study reveals that the Pradhan Mantri Jan Dhan Yojana has played a significant role in expanding financial inclusion in Pandharpur Tehsil by increasing access to formal banking services and facilitating the transfer of government benefits. However, the findings indicate that while account ownership is widespread, effective utilization of accounts remains limited due to factors such as low financial awareness, accessibility issues, and irregular usage patterns. The study highlights the need for focused financial literacy initiatives, improved banking infrastructure, and continuous support from financial institutions to ensure that PMJDY leads to sustainable and meaningful financial inclusion at the grassroots level.

#### **Reference:**

1. Government of India (2014). *Pradhan Mantri Jan Dhan Yojana (PMJDY): National Mission for Financial Inclusion*. Ministry of Finance, New Delhi.
2. Reserve Bank of India (2014). *Report of the Committee on Comprehensive Financial Services for Small Businesses and Low Income Households*. RBI, Mumbai.
3. Chakrabarty, K. C. (2015). *Financial Inclusion in India: Journey So Far and the Way Forward*. RBI Bulletin, Mumbai.
4. Kumar, N., & Mohanty, S. (2016). "Financial Inclusion and PMJDY: A Study of Progress and Challenges." *International Journal of Social Sciences*, 5(2), 45–52.
5. Reserve Bank of India (2016). *Annual Report 2015–16*. RBI, Mumbai.
6. NABARD (2017). *Financial Inclusion in India: Status and Initiatives*. National Bank for Agriculture and Rural Development, Mumbai.



7. Chakrabarty, K. C. (2017). “Jan Dhan–Aadhaar–Mobile (JAM) Trinity and Financial Inclusion.” *Economic and Political Weekly*, 52(10).
8. Singh, R., & Tandon, P. (2019). “Impact of PMJDY on Financial Inclusion in Rural India.” *Journal of Banking and Finance*, 8(1), 23–31.
9. Reserve Bank of India (2020). *Financial Inclusion Index*. RBI, Mumbai.
10. Government of India (2021). *PMJDY Progress Report*. Ministry of Finance, New Delhi.
11. NABARD (2022). *Annual Report 2021–22*. National Bank for Agriculture and Rural Development, Mumbai.