

DIGITAL FINANCIAL INCLUSION IN INDIA

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Abstract: *Digital financial inclusion is one of the innovative and effective mechanisms which help to provide financial services to unreached and uncovered people in the country. Providing financial services to the needs people is a part of financial system of the country that promotes socio economic developments. Therefore, there is a need of understanding the impact of financial inclusion in India with respect to the application of modern communication technology. The present paper made an attempt to discuss the financial inclusion with respect to Pradhan Mantri Jan-Dhan Yojana scheme and Direct Benefit Transfer schemes.*

Key Words: *Digital Financial Inclusion, PMJDY, Direct Benefit Transfer, Financial Services, Rupay Cards, Kisan Credit Card, Aadhaar*

Introduction

Digital financial inclusion is one of the innovative and effective mechanisms which help to provide financial services to unreached and uncovered people in the country. Providing financial services to the needs people is a part of financial system of the country that promotes socio economic developments. **Jisha Joseph and Titto Varghese (2014)**, has studied the role of financial inclusion in the development of Indian economy. They made their study based on secondary data from RBI, GOI and other review of the literature. They pointed out that the RBI and Government of India (GOI) have taken many initiatives to include the financially excluded people such as Branch expansion, business correspondence, business facilitator model, Relaxed KYC norms, acceptance of Aadhaar card for opening a bank account, opening no-frill accounts, General Purpose Credit Card (GCC) and Kisan Credit Card (KCC) and direct benefit transfer etc. Digital financial inclusion” can be defined as digital access to and use of formal financial services by excluded and underserved populations. Such services should be suited to the customers’ needs and delivered responsibly, at a cost both affordable to customers and sustainable for providers. So, the main motive of digital financial inclusion initiative is to provide infrastructure and electronic services on demand. This initiative will surely increase the speed of financial inclusion. Therefore, there is a need of understanding the impact of financial inclusion in India with respect to the application of modern communication technology. The present paper made an attempt to discuss the financial inclusion with respects to Pradhan Mantri Jan-Dhan Yojana scheme and Direct Benefit Transfer schemes.

Review of literature

The following are the major reviews which have been studied to understand the conceptual background of financial inclusion and direct benefits transfer.

Kumar Bijoy (2018), has recommended to policy makers to concentrate on the creation of job opportunities for all to have complete financial inclusion in India. It needed to strengthen the financial infrastructure for delivery of financial services at the doorstep of all. However, the study finds through primary survey that the low income groups are even not able to utilize the existing financial structure due to lack of sufficient sustainable income. Government efforts can only open bank accounts for the poor but cannot make them active accounts.

Sarah, F., Pearce, D., & Sebnem, S. (2015), Financial inclusion strategies are the roadmaps of actions, decided and defined at national or sub national level which stakeholder follows to achieve financial inclusion objectives. More than 50 countries across the globe have made commitments towards the financial inclusion and many of them including India has already developed the National Financial Inclusion Strategies (NFIS) and remaining nations are developing the same to accelerate the level of financial inclusion in that specific nation.

Rajasekaram N (2018), In his articles he has concluded and Suggested that The reserve of bank of India and Government of India has taken many initiatives to include the people those who are financially excluded. This paper outlines the various barriers that impede financial inclusion in India. The government of India has overcome the barrier of “Lack of legal documents” by issuing Aadhaar number to everyone. Now the banks are accepting the Aadhaar card as a legal document for an opening bank account. RBI has identified five target groups of people for improving the financial literacy level and conducted many outbound camps.

Gwalani and Parkhi (2014), have studied the financial inclusion in the Indian context. They pointed out that poverty, unavailability of banking services, complex procedures, financial illiteracy, traditional cultural values and lack of faith in the banking system are the reasons for financial exclusion. They discussed the different models such as lead bank system, correspondent banking, mobile banking, microfinance model to include the financially excluded people.

Onalapo (2015), studied the effects of Financial Inclusion on the economic growth of Nigeria. He found a significant positive relationship between financial inclusion and economic growth. The author also showed that Financial Inclusion greatly influenced poverty reduction and financial intermediation through positively impacted Bank Branch Networks, Loans to Rural Areas and small enterprises

Sakthivel N, Mailsamy R, and Akash R (2016) Have concluded that financial exclusion will require a holistic approach on the part of the banks in creating awareness about financial products, education, and advice on money management, debt counselling, savings and affordable credit. The banks would have to evolve specific strategies to expand the outreach of their services like LPG, Scholarships, MGNREGA, Pension schemes, Provident Funds and other services in order to promote financial inclusion. One of the ways in which this can be achieved in a cost-effective manner is through forging linkages with microfinance institutions and local communities.

Sakthivel Nand Mailsamy R, (2018), have revealed about LPG PAHAL scheme which is a result of an intensive Information Education Campaign comprising advertising through various means, direct reaching out to consumers, and dealer level campaigns. The Ministry of Petroleum and Natural Gas has undertaken several innovative measures such as guardian officers for each district, deployment of technology by use of SMS, and a single window portal to enable consumers to join the scheme.

Mani Goswami (2016), has mentioned about the progress of overall growth and strengthening of the economy by way of creating a robust framework of financial inclusion. Between 2011 and 2014, due to the sustained efforts from the government as well as the regulator, bank account penetration increased from 35 per cent to 53 per cent . In absolute terms, 175 million new bank account holders were added during this period. India’s unbanked population has more than halved to 233 million in 2015 from 557 million in 2011, according to a report prepared by PricewaterhouseCoopers India for the Internet and Mobile Association of India (IAMAI) and Payments Council of India (PCI). Raising the level of acceptance of technology by customers will require

sustained financial literacy initiatives on the part of bankers. Financial inclusion without financial literacy has no meaning as the stakeholders cannot grasp the benefits/risks associated.

Balaji R (2013) has suggested that the Direct Benefit Transfer Scheme introduced by the UPA-II Government has invited mixed response among the general public, though it is welcome widely. The Government should play a major role in addressing the issues and shortcomings of the scheme so as to make it more effective in order to achieve the very purpose of it, i.e, achieving total financial inclusion in the country and taking the social security benefits and the benefits of the subsidies directly to the common people eliminating the existence of middlemen.

Neha Sharma (2017), has concluded that at implementation level, there still exists scope for improvement. Also, improvement in financial awareness can indirectly help in successful implementation of this scheme. DBT Policy is pro-poor policy which can surely accomplish the anticipation of the stake holders (Both the people and the government). The scheme may not fully eliminate the all anomalies but will surely bring some principal changes in the delivery of benefits. It will surely eliminate the growth of black marketing.

Das and Bhattacharjee [2016] revealed that DBT is to bring transparency and terminated pilferage from distribution of funds sponsored by Central Government. DBT in Food Grains is an essential commodity. It helps the 60 percent households of the country to provide necessary food. But still there are some problems and challenges like subsidy transfer, information gap and financial inclusion.

Joseph [2016] has concluded that the DBT in LPG scheme which is called PAHAL by the government found substantial systematic problems. So the Modi government starts a campaign 'give it up', calling up consumer to give up their LPG subsidies under the scheme subsidy is transferred directly to the bank accounts of beneficiaries to cut down the wastage. With the help of the scheme India has saved Rs 15,000 crore annually, and the middleman and black marketers have been hit.

Santosh, Subrahmanyam & Narayana Reddy (2016) "Major Milestones of Financial Inclusion in India- An Analytical Study" in this article, revealed that Financial Inclusion is not a onetime effort, it is an ongoing process. It is a huge project which requires concerted and team efforts from all the stakeholders – the Government, Financial Institutions, the regulators, the private sector and the community at large. Among the initiatives taken by the Government/RBI in that the two major milestones SHG – Bank Linkage Programme and Pradhan Mantri Jan Dhan Yojana (PMJDY) plays a major for achieving of greater financial inclusion in India.

Prasad (2018), as per the his speech the government saved Rs 57,000 crore, "pocketed" earlier by middlemen, through the use of Direct Benefit Transfer (DBT) in various public schemes. Scores of schemes like MGNREGA have been linked to DBT, under which the receivables are transferred directly to the beneficiary's bank accounts. The government had informed Parliament that there were over 33 crore beneficiaries under 84 schemes which have been linked to the DBT at the end of February 2017.

Aman Sharma (2018), The government has estimated that the direct benefit transfer (DBT) scheme that it has expanded significantly has helped save around Rs 82,985 crore. It includes the beneficiaries bank account saved around Rs. 25956 crore. It increased by more than 45% over Rs 57,029 crore till March 2017. He mentioned the amount Rs 12,792 crore of additional savings during the 10-month period came from bringing the public distribution system or PDS under DBT. He added a point that some fake or non-existent ration cards, including some due to migration and death, and the total cumulative savings due to PDS under DBT now stand at Rs 38,877 crore.

Scope of the study

Pradhan Mantri Jan-Dhan Yojana and Direct Benefit Transfer are the major initiatives of the Modi government which helps to provide financial services to the people with the help of digitalization. These two schemes made an impact in socio economic empowerment of the rural people in the country and also it provides an opportunity to delivered financial services and products without any inter mediators or agencies which is the highest of this scheme. Therefore this paper considers only about the performance of the Pradhan Mantri Jan-Dhan Yojana and Direct Benefit Transfer in India

Objectives

To know the conceptual background of financial inclusion in India with respect to Pradhan Mantri Jan-Dhan Yojana and Direct Benefit Transfer schemes

To study the performance of Pradhan Mantri Jan-Dhan Yojana schemes with respect to direct financial inclusion

To measure the direct financial inclusion through Direct Benefit Transfer in India.

Methodology

The present research paper is quantitative in nature by using secondary data which have been collected from official websites of Pradhan Mantri Jan-Dhan Yojana and Direct Benefit Transfer. Collected data have been analyzed with the help of simple statistical tools.

Financial inclusion in India

Financial inclusion is an age old concept which was named in different aspects. Financial inclusion is delivery of banking services to low income group of society at affordable cost. Financial inclusion is a key to achieving the goal of removing extreme gap between the banking habits of weaker section and rich section of the society.

The objective to include all the groups of society to banking services started in the name of Financial Inclusion word firstly was first used in 1993 but this idea grew in 1998. The development of banking sector in the real sense was started in 1969 with the nationalization of 14 major banks. This action gave a real reform in Indian banking system. After this, in 1980, 6 more banks were nationalized. In 1982, NABARD (National bank for agriculture and rural development) was established to fulfill the financial needs of agriculturists and to develop the rural areas. Annual agriculture plans were also started along with the NABARD. These initiatives were mainly to connect the society to the banking sector.

Pradhan Mantri Jan-Dhan Yojana

Pradhan Mantri Jan-Dhan Yojana (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 with at least one basic banking account for every household, financial literacy, access to credit, insurance and pension facility. In addition, the beneficiaries would get RuPay Debit card having inbuilt accident insurance cover of ₹ 1 lakh. The plan also 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. The technological issues like poor connectivity, on-line transactions will be addressed. Mobile transactions through telecom operators and their established centres as Cash Out Points are also planned to be used for Financial Inclusion under the Scheme. Also an effort is being made to reach out to the youth of this country to participate in this Mission Mode Programme.

Objective of **PMJDY** is ensuring 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 & low income groups. This deep penetration at affordable cost is possible only with effective use of technology.

Special Benefits under PMJDY Scheme

Interest on deposit.

Accidental insurance cover of Rs. 1.00 lac

No minimum balance required.

The scheme provides life cover of Rs. 30,000/- payable on death of the beneficiary, subject to fulfillment of the eligibility condition.

Easy Transfer of money across India

Beneficiaries of Government Schemes will get Direct Benefit Transfer in these accounts.

After satisfactory operation of the account for 6 months, an overdraft facility will be permitted

Access to Pension, insurance products.

Overdraft facility upto Rs.5000/- is available in only one account per household, preferably lady of the household.

Beneficiaries of PMJDY

PMJDY has made remarkable penetration in terms of access of banking service and insurance products but until employment is generated for all and a guaranteed basic income is available on regular basis this menace of financial exclusion will not end. Hence, there is a need to alleviate poverty for achieving true financial inclusion.

Table No. 1

Banks performance on PMJDY as on 05/09/2018 (All figures in Crore)

Bank Name / Type	Number of Total Beneficiaries	Deposits in Accounts (In Crore)	Number of Rupay Debit Cards issued to beneficiaries
Public Sector Banks	26.31	65657.42	19.91
Regional Rural Banks	5.30	14622.73	3.71
Private Sector Banks	1.00	2210.83	0.93
Grand Total	32.61	82490.98	24.56

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

Table No indicates that PMJDY beneficiaries as on 5th September 2018. Total beneficiaries, under PMJDY amounted to 32.61 Crore of which 26.31 Crore beneficiaries from PSB, 5.30 Crore beneficiaries from Regional Rural Banks and One Crore beneficiaries from Private Sector Banks

Total deposit in PMJDY accounts amounted to Rs.82490.98 Crore of which Rs. 65657.42 Crore in PSB, Rs. 14622.72 Crore in Regional Rural Banks and Rs. 2210.83 Crore in Private Banks.

Number of Rupay debit cards issued to beneficiaries amounted to 24.56 Crore of which 19.91 Crore of Rupay debit cards issued by Public Sector Banks , 3.71 Crore of Rupay debit cards issued by Regional Rural Banks and 0.93 Crore of Rupay debit cards issued by Private Sector Banks

Figure No 1

Banks performance on PMJDY

Table No.2
State Wise Performance of PMJDY

S.No	State Name	Total Beneficiaries	Balance in beneficiary accounts (in crore)	No. of RuPay cards issued to beneficiaries
1	Andaman & nicobar islands	54,214	23.92	42,053
2	Andhra pradesh	90,96,331	1,603.92	76,32,742
3	Arunachal pradesh	2,54,813	84.27	1,97,685
4	Assam	1,32,83,265	3,272.79	1,02,11,445
5	Bihar	3,58,68,011	8,119.45	2,54,36,309
6	Chandigarh	2,50,520	95.5	1,95,361
7	Chhattisgarh	1,33,53,379	2,529.62	91,01,675
8	Dadra & nagar haveli	1,02,166	39.03	66,363
9	Daman & diu	46,024	15.81	35,563
10	Delhi	41,38,152	1,616.79	33,99,501
11	Goa	1,52,064	84.19	1,23,362
12	Gujarat	1,24,31,298	3,470.51	1,02,22,010
13	Haryana	66,32,176	2,653.80	57,41,210
14	Himachal pradesh	10,18,858	480.86	8,29,251
15	Jammu & kashmir	20,09,962	790.73	15,20,035
16	Jharkhand	1,16,10,824	2,699.85	84,53,167
17	Karnataka	1,18,78,223	2,755.84	94,44,618
18	Kerala	35,85,382	1,027.11	24,51,791
19	Lakshadweep	5,311	7.53	4,720
20	Madhya pradesh	2,85,71,103	4,220.34	2,00,49,475
21	Maharashtra	2,26,94,444	4,736.81	1,61,57,034
22	Manipur	8,26,648	183.48	6,55,277
23	Meghalaya	4,38,882	205.23	2,52,727
24	Mizoram	2,87,030	74.65	78,406
25	Nagaland	2,22,073	43.58	1,78,484
26	Odisha	1,28,41,966	3,670.06	98,35,431
27	Puducherry	1,49,553	32.41	1,11,730
28	Punjab	61,86,396	2,257.97	51,65,759
29	Rajasthan	2,51,75,190	5,949.19	1,75,89,822
30	Sikkim	91,852	31.41	75,580
31	Tamil nadu	90,99,160	1,523.67	75,66,725
32	Telangana	90,40,966	1,362.26	75,29,476
33	Tripura	8,44,094	647.5	6,49,880

34	Uttar pradesh	5,03,95,770	14,261.34	3,94,71,924
35	Uttarakhand	22,67,890	976.77	18,83,196
36	West bengal	3,12,27,980	10,942.77	2,32,16,496
37	Total	32,61,31,970	82,490.98	24,55,76,283

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

The above table indicates state wise performance of PMJDY as on August 2018. Utter Pradesh, Bihar, west Bengal ,Madhya Pradesh ,Maharashtra and Gujarat are the major states in the country which opened more bank accounts.

Direct benefit transfer

The Direct Benefits Transfer (DBT) simply involves transferring the subsidy amount and other benefits (called transfers) directly to the beneficiaries' bank accounts instead of providing it through government offices. Transfer means payment made by the government without receiving anything in return from the beneficiary. Subsidies, scholarships are the main example for transfers.

With the aim of reforming Government delivery system by re-engineering the existing process in welfare schemes for simpler and faster flow of information/funds and to ensure accurate targeting of the beneficiaries, de-duplication and reduction of fraud Direct Benefit Transfer (DBT) was started on 1st January, 2013. The following are the major schemes under the DBT ;

The PAHAL scheme was earlier launched on 1st June 2013 and finally covered 291 districts. It required the consumer to mandatorily have an Aadhaar number for availing LPG Subsidy.

National Rural Employment Guarantee scheme (MGNREGS) is an [Indian labour law](#) and [social security](#) measure that aims to guarantee the 'right to work'. It aims to enhance livelihood security in rural areas by providing at least 100 days of wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work

The National Social Assistance Programme (NSAP) is a Centrally Sponsored Scheme of the Government of India that provides financial assistance to the elderly, widows and persons with disabilities in the form of social pensions

National Scholarships Portal is one-stop solution through which various services starting from student application, application receipt, processing, sanction and dispersal of various scholarships to Students are enabled.

Pradhan Mantri Gramin Awaas Yojana (PMGAYG), previously Indira Awaas Yojana, is a social welfare flagship programme, created by the Indian Government, to provide housing for the rural poor in India. A similar scheme for urban poor was launched in 2015 as Housing for All by 2022.

Public Distribution System (PDS) Major commodities distributed include staple food grains, such as [wheat](#), [rice](#), [sugar](#) and [kerosene](#), through a network of fair price shops (also known as ration shops) established in several states across the country.

Table No.3
Number of schemes under ministry in DBT

S.No	Ministry/Department	No.of Schemes
1.	Department of Agricultural Research and Education	20
2.	Department of Agriculture, Cooperation and Farmers Welfare	14
3.	Department of Animal Husbandry, Dairying and Fisheries	10
4.	Department of Atomic Energy	10
5.	Department of Biotechnology	8
6.	Department of Chemicals and Petrochemicals	2
7.	Department of Commerce	7

8.	Department of Empowerment of Persons with Disabilities	9
9.	Department of Ex-Servicemen Welfare	6
10	Department of Fertilizers	1
11	Department of Financial Services	4
12	Department of Food and Public Distribution	2
13	Department of Health and Family Welfare	9
14	Department of Health Research	6
15	Department of Heavy Industry	2
16	Department of Higher Education	21
17	Department of Industrial Policy and Promotion	3
18	Department of Official Languages	1
19	Department of Personnel and Training	5
20	Department of Pharmaceuticals	2
21	Department of Public Enterprises	2
22	Department of Rural Development	8
23	Department of School Education and Literacy	7
24	Department of Science and Technology	6
25	Department of Scientific and Industrial Research	5
26	Department of Social Justice and Empowerment	25
27	Department of Space	14
28	Department of Sports	14
29	Department of Youth Affairs	16
30	Ministry of AYUSH	4
31	Ministry of Culture	11
32	Ministry of Development of North Eastern Region	4
33	Ministry of Drinking Water and Sanitation	1
34	Ministry of Earth Sciences	6
35	Ministry of Electronics and Information Technology	3
36	Ministry of Environment, Forests and Climate Change	19
37	Ministry of External Affairs	9
38	Ministry of Home Affairs (excluding Dep of Official Languages and Dept of Inter State Council Sect)	13
39	Ministry of Housing and Urban Affairs	4
40	Ministry of Information and Broadcasting	2
41	Ministry of Labour and Employment	12
42	Ministry of Micro, Small and Medium Enterprises	21
43	Ministry of Minority Affairs	12
44	Ministry of New and Renewable Energy	6
45	Ministry of Panchayati Raj	1
46	Ministry of Power	1
47	Ministry of Petroleum and Natural Gas	3
48	Ministry of Railways	1
49	Ministry of Skill Development and Entrepreneurship	3
50	Ministry of Statistics and Programme Implementation	3
51	Ministry of Steel	1

52	Ministry of Textiles	26
53	Ministry of Tourism	1
54	Ministry of Tribal Affairs	9
55	Ministry of Water Resources, River Development and Ganga Rejuvenation	4
56	Ministry of Women and Child Development	14
	Total Number of schemes	433

Sources : www.dbtbharat.gov.in

At present 56 ministry / departments using its 433 schemes through direct benefit transfer . Linking DBT with Aadhaar information and ID platform is a major achievement. Government has linked the Aadhaar ID of the beneficiary with the DBT and is aiming to make this link applicable for all payments. Efficient targeting, using the Aadhaar-linked data ensures that the right beneficiary receives the money in his account, thereby ensuring transfer to the deserving persons. Recently the government decided that people earning more than Rs.10 lakh a year would not be eligible for the LPG subsidy.

Table no.4
Direct Benefit Transfer Details (FY-2018-19)

S.No	Schemes	Total Direct Benefit Transfer (₹)	Total No. of Transactions
1	PAHAL	1,64,79,20,58,400	57,23,45,348
2	MGNREGS	1,25,56,79,95,996	9,80,04,189
3	NSAP	29,03,61,20,587	5,44,24,444
4	Scholarship Schemes	17,56,95,91,680	15,19,244
5	PMAYG	0	0
6	PDS	73,78,81,86,503	12,74,89,217
7	Others	2,67,43,66,67,863	5,36,20,574
	total	6,78,19,06,21,029	90,74,03,016

Sources : www.dbtbharat.gov.in

Table number explains direct benefit transfer details for the financial year 2018-2019 As regards PAHAL scheme, total direct benefit transfer amounted to Rs 1,64,79,20,58,400 with the total 57,23,45,348 transactions.

As regards MGNREGS scheme, total direct benefit transfer amounted to 1,25,56,79,95,996 with the total 9,80,04,189 transactions.

As regards NSAP scheme, total direct benefit transfer amounted to 29,03,61,20,587, with the total 5,44,24,444 transactions.

As regards Scholarship scheme, total direct benefit transfer amounted to 17,56,95,91,680, with the total 15,19,244 transactions.

As regards PDS scheme, total direct benefit transfer amounted to 73,78,81,86,503, with the total 12,74,89,217 transactions.

As regards others scheme, total direct benefit transfer amounted to 2,67,43,66,67,863, with the total 5,36,20,574 transactions.

on the direct whole, total direct benefit transfer amounted to Rs. 6,78,19,06,21,029 with 90,74,03,016 transactions

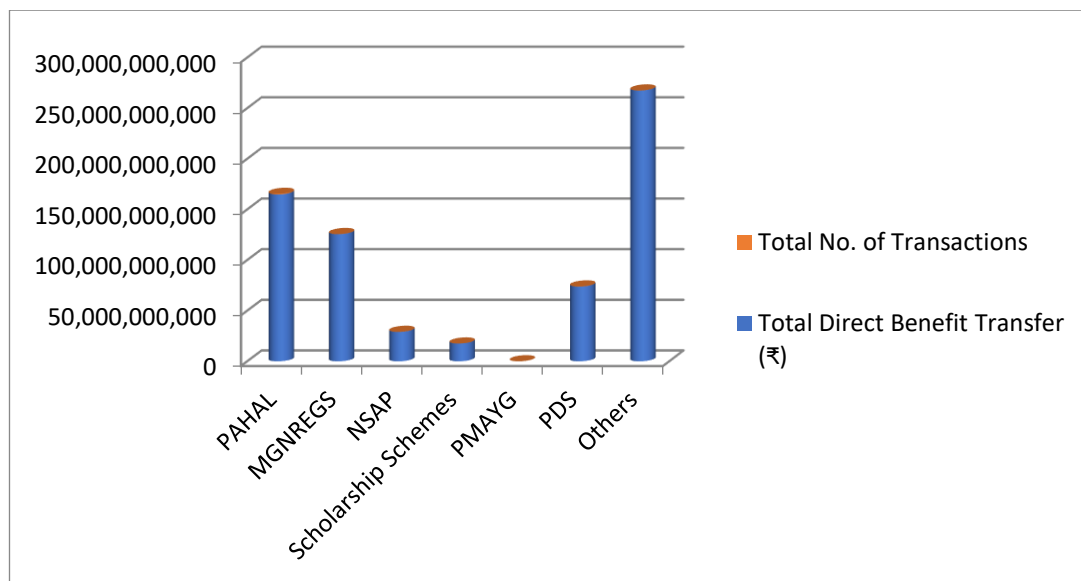


Figure No 2
Direct Benefit Transfer Details

Table No 5
Year wise DBT beneficiaries

S.No	Year	Beneficiaries in crore	
		In cash	In kind
1	2013-14	10.8	-
2	2014-15	22.8	-
3	2015-16	31.2	-
4	2016-17	35.7	-
5	2017-18	46.3	77.7
6	2018-19	43.9	76.4

Sources : www.dbtbharat.gov.in

Table number 5 indicates that year wise DBT beneficiaries during the year 2013-14 to 2018-19.

In the year 2013-14 total beneficiaries amounted to 10.8 crore which increased to 22.8 crore in 2014-15, 31.2 crore in 2015-16, 35.7 crore in 2016-17, 46.3 crore in 2017-18 and 43.9 crore in 2018-19 with respect to in cash beneficiaries.

As regards in kind beneficiaries amounted to 77.7 crore in 2017-18 and 76.4 crore in 2018-19.

Figure No 3
Year wise DBT beneficiaries

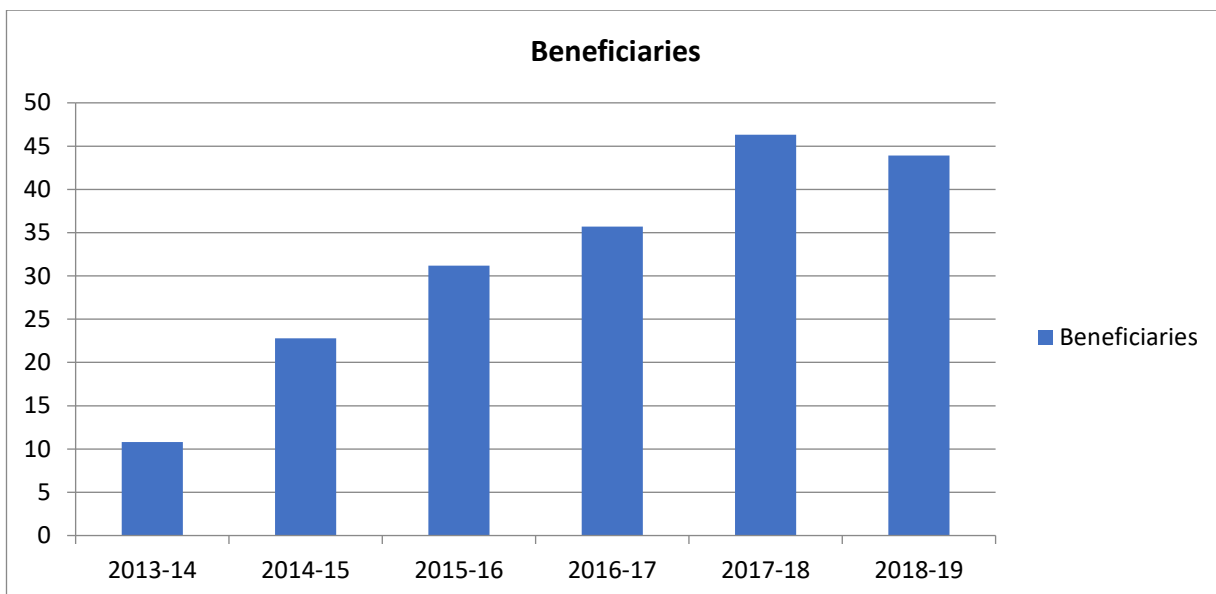


Table No. 6
Year wise Fund Transfer through DBT

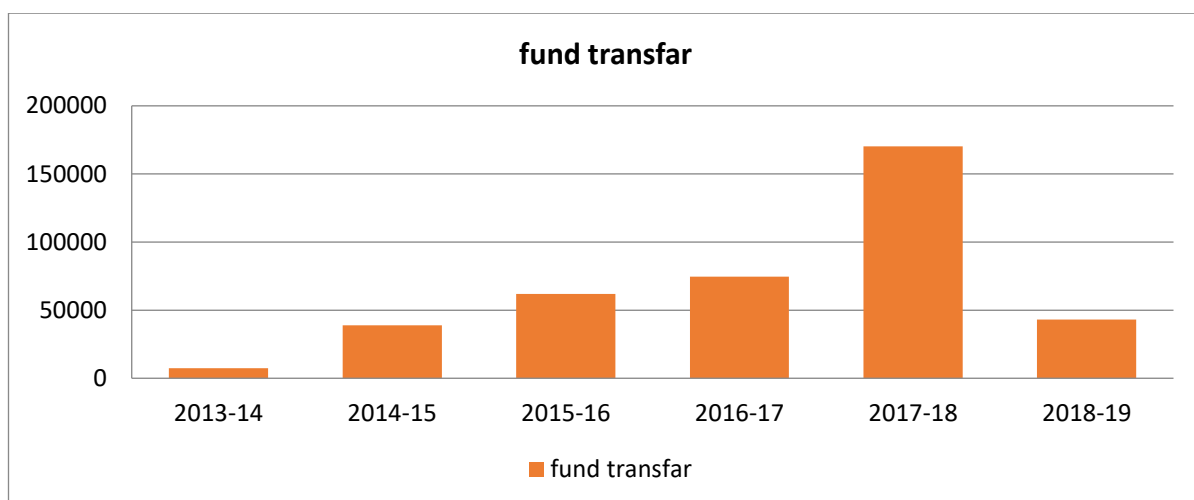
S.No	Year	Fund Transfer (Rs. in crore)	
		In cash	In kind
1	2013-14	7367.7	-
2	2014-15	38,926.2	-
3	2015-16	61,942.4	-
4	2016-17	74,689.4	-
5	2017-18	1,70,292.2	20,578.7
6	2018-19	43,047	24,636.3

Sources : www.dbtbharat.gov.in

Table number 6 indicates that year wise DBT Fund Transfer during the year 2013- 14 to 2018-19. In the year 2013-14 total Fund Transfer amounted to Rs. 7367.7 crore which increased to Rs.38,926.2 crore in 2014-15, Rs.61,942.4 crore in 2015-16, Rs.74,689.4 crore in 2016-17, Rs.1,70,292.2 crore in 2017-18 and Rs.43,047 crore in 2018-19 with respect to in cash beneficiaries.

As regards in kind Fund Transfer amounted to Rs.20,578.7 crore in 2017-18 and Rs.24,636.3 crore in 2018-19.

Figure No 4
Year wise Fund Transfer through DBT



Estimated Benefits/ Gains from DBT & Other Governance Reforms (upto March 2018)

DBT and other governance reforms have led to removal of duplicate/ fake beneficiaries and plugging of leakages etc., as a result of which the government has been able to target the genuine and deserving beneficiaries. Estimated savings/ benefits from some of the Schemes are as under:

**Table No 7
Estimated Savings / Benefits**

S. No.	Ministry/ Department	Scheme	Estimated Savings / Benefits (in Rs. Crore)		
			Cumulative upto March 2017	Total during 2017-18	Cumulative upto March 2018
1	Petroleum & Natural Gas	PAHAL	29,769	12,506	42,275
2	Food & Public Distribution	PDS	14,000	15,708	29,708
3	Rural Development	MGNREGS	11,741	4,332	16,073
		NSAP	399	39.6	438.6
4	Minority Affairs	Scholarship Schemes	-	159.15	159.15
5	Social Justice & Empowerment	Scholarship Schemes	-	238.27	238.27
6	Others	Others	1,120	0.69	1,120.69
Total			57,029	32,983.71	90,012.71

Sources : www.dbtbharat.gov.in

PAHAL scheme of ministry of petroleum and natural gas estimated savings/ benefits up to march 2017 amounted to Rs 29,769 crore and it has increased to Rs 42,275 crore in March 2018.

PDS scheme of ministry of Food & Public Distribution estimated savings/ benefits up to march 2017 amounted to Rs 14,000 crore and it has increased to Rs 29,708 crore in March 2018.

MGNREGS scheme of ministry of Rural Development estimated savings/ benefits up to march 2017 amounted to Rs 11,741 crore and it has increased to Rs 16,073 crore in March 2018.

NSAP scheme of ministry of Rural Development estimated savings/ benefits up to march 2017 amounted to Rs 399 crore and it has increased to Rs 438.6 crore in March 2018.

Scholarship scheme of ministry of Minority Affairs estimated savings/ benefits up to march 2017 amounted to Rs -Nil- crore and it has increased to Rs 159.15 crore in March 2018.

Scholarship scheme of ministry of Social Justice & Empowerment estimated savings/ benefits up to march 2017 amounted to Rs -Nil- crore and it has increased to Rs 238.27 crore in March 2018.

Others scheme estimated savings/ benefits up to march 2017 amounted to Rs 1,120 crore and it has increased to Rs 1,120.69 crore in March 2018.

On the whole, total of major six scheme estimated savings / benefits amounted to Rs. **90,012.71 crore in March 2018 as against Rs. 57,029 crore in March 2017**

3.79 crore duplicate, fake/ non-existent, inactive LPG connections eliminated. In addition 2.22 crore consumers stopped claiming subsidy (including 1.04 crore 'Give It Up' consumers) in the ministry of Petroleum & Natural Gas.

Deletion of 2.75 crore duplicate and fake/ non-existent Ration Cards (including some due to migration, death etc.) in the ministry of Food & Public Distribution

Based on field studies, Ministry has estimated 10% savings on wages on account of deletion of duplicate, fake/ non-existent, ineligible beneficiaries in the ministry of Rural Development

Deletion of 2.2 lakh duplicate, fake/ non-existent, ineligible beneficiaries (including some due to migration, death etc.) In the ministry of Rural Development

Deletion of 5.26 lakh duplicate, fake/ non-existent beneficiaries in the ministry of Minority Affairs

Deletion of 1.79 lakh duplicate, fake/ non-existent beneficiaries in the ministry of Social Justice & Empowerment

Major findings and suggestion and conclusion

Digital financial inclusion is one of the major initiatives in India which enables to provide easy and speedy services to the needy people in the country. In the year 2006, financial inclusion introduced in India with the aim of providing financial services at an affordable cost to the unreached people. PMJDY provides an opportunity to avail a bank account with zero balance which was considered as a basic and gate pass to enjoy all kind of financial services and incentives by the government. It facilitates bank accounts to all people irrespective of their socio, economic and other factors. With this effect as on August 2018, 32.61 crore of bank accounts with the deposits of Rs. 82490.98 crore in PMJDY. This is one of the remarkable achievements in the banking history of India. PMJDY also provides accidental and death insurance with an affordable premium to the account holder in the name of Pradhan Mantra Suraksha Bima Yojana (PMSBY) and Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJBLY). With the effect of digital India programme, government provides digitalized and transferable services to the citizens of the country. To provide financial incentives and assistance to ultimate beneficiaries, government introduced and implemented DBT schemes which linked with bank account

and Aadhaar. At present 433 schemes of 56 departments transfer funds to the beneficiaries through DBT.

DBT classify all the schemes in to six major categories such as PAHAL , MGNRGS, NSAP, scholarship scheme, PMAYG, PDS and others, through there schemes, 46.3 crore of beneficiaries received cash and 77.7 crore of beneficiaries received in kind during the year 2017-2018.

India is transforming in a new dimension with respect to the socio economic development through digitalization. With the effect of PMJDY and DBT facilitates the financial inclusion as easiest way to target the unreached people of the country. PMJDY provides bank accounts digitalization provides internet facilities, Aadhaar linked the network and DBT achieved to find out and provide financial assistance and incentives to the targeted beneficiaries. Therefore, the present paper concludes, digital financial inclusion is one of the successful initiatives with the help of PMJDY and DBT linked with Aadhaar.

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