



**Research Unit**  
Press Information Bureau  
Ministry of Information and Broadcasting  
Government of India



## **Nine Years of Pradhan Mantri Jan-Dhan Yojana (PMJDY)**

***Over 50 crore people brought into Formal Banking System through opening of Jan Dhan Accounts***

***Nearly 56 per cent Jan Dhan Account Holders are Women; 67 per cent Jan Dhan accounts opened in Rural and Semi-urban Areas***

***Total deposits in Accounts at over Rs. 2.03 lakh crore; Around 34 Crore RuPay cards issued to PMJDY account holders***

(Ministry of Finance)

August 28, 2023

*"Economic resources of the country should be utilised for the well-being of the poor. The change will commence from this point."*

- [Prime Minister Narendra Modi](#)

### **BACKGROUND**

The Government of India has been making concerted efforts to promote financial inclusion as one of the important national objectives of the country. Some of the major efforts made in the last five decades include - the nationalization of banks, the building up of a robust branch network of scheduled commercial banks, co-operatives and regional rural banks, introduction of mandated priority sector lending targets, lead bank scheme, formation of self-help groups, permitting BCs/BFs to be appointed by banks to provide doorstep delivery of banking services, zero balance BSBD accounts, etc. The fundamental objective of all these initiatives is to reach the large sections of the hitherto financially excluded Indian population.<sup>1</sup>

With a view to further enhance the financial inclusion interventions in the country, Government initiated the **National Mission for Financial Inclusion (NMFI)**, namely, **Pradhan Mantri Jan Dhan Yojana (PMJDY)** in August 2014 to provide universal banking services for every unbanked household, based on the guiding principles of **banking the unbanked, securing the unsecured, funding the unfunded and serving**

<sup>1</sup> <https://rbidocs.rbi.org.in/rdocs/Speeches/PDFs/MFI101213FS.pdf>

**un-served and under-served areas.** PMJDY is one of the biggest financial inclusion initiatives in the world.<sup>2</sup>

PMJDY was announced by Prime Minister Narendra Modi in his Independence Day address on August 15, 2014. While launching the programme on [August 28, 2014](#), Prime Minister described the occasion as a festival to celebrate the liberation of the poor from a vicious cycle. PMJDY aims to ensure access to financial services namely - Banking/ Savings and deposit Accounts, Remittances, Credit, Insurance, and Pension - in an affordable manner.



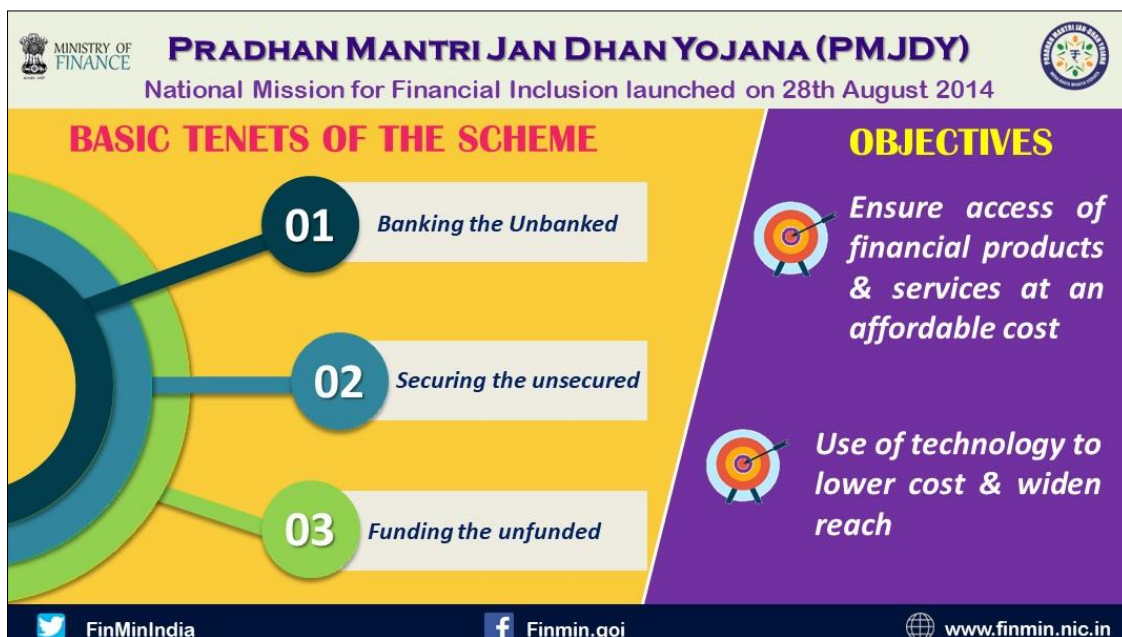
## OBJECTIVES

- Ensure access of financial products & services at an affordable cost
- Use of technology to lower cost & widen reach

<sup>2</sup> <https://financialservices.gov.in/financial-inclusion-schemes>

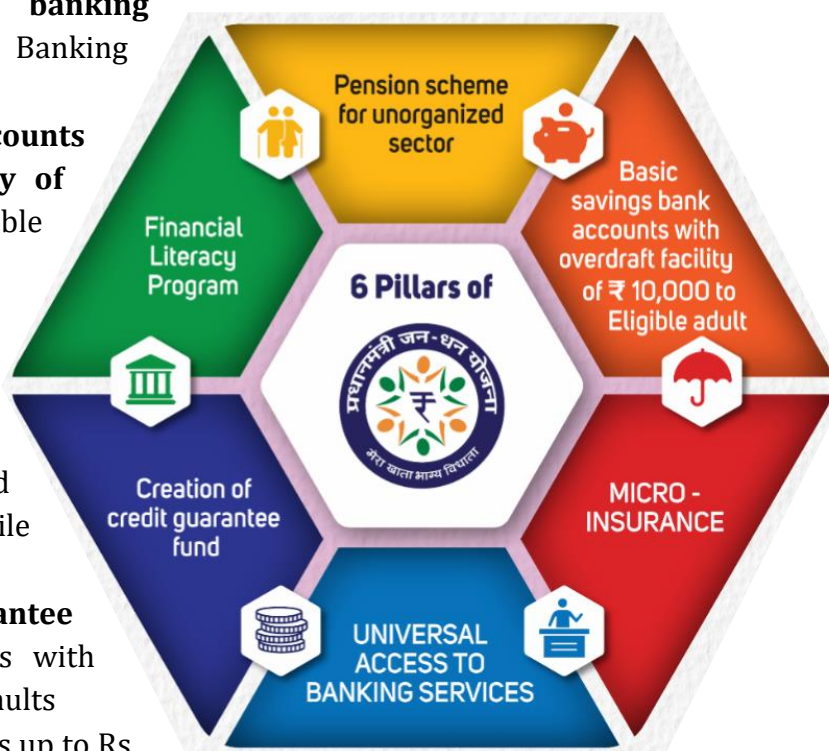
## BASIC TENETS OF THE SCHEME

- **Banking the unbanked** - Opening of Basic Savings Bank Account with minimal paperwork, relaxed KYC, e-KYC, account opening in camp mode, zero balance and zero charges
- **Securing the unsecured** - Issuance of indigenous debit cards for cash withdrawals and payments at merchant locations, with free accident insurance coverage of Rs. 2.0 lakh
- **Funding the unfunded** - Other financial products like micro-insurance, overdraft for consumption, micro-pension & micro-credit



## INITIAL FEATURES (SIX PILLARS):

- **Universal access to banking services** - Branch and Banking Correspondent (BC)
- **Basic savings bank accounts with an overdraft facility of Rs. 10,000** to every eligible adult
- **Financial Literacy Program** - Promoting savings, use of ATMs, getting ready for credit, availing insurance and pensions, using basic mobile phones for banking
- **Creation of Credit Guarantee Fund** - To provide banks with some guarantee against defaults
- **Insurance** - Accident covers up to Rs.



1,00,000 and life cover of Rs. 30,000 on account opened between 15 Aug 2014 and 31 January 2015

- **Pension scheme for Unorganized sector**



#### **IMPORTANT APPROACH ADOPTED IN PMJDY BASED ON PAST EXPERIENCE**

- Accounts opened are online accounts in core banking system of banks, in place of the earlier method of offline accounts opening with technology lock-in with the vendor
- Inter-operability through RuPay debit card or Aadhaar-enabled Payment System (AePS)
- Fixed-point Business Correspondents
- Simplified KYC / e-KYC in place of cumbersome KYC formalities

#### **EXTENSION OF PMJDY WITH NEW FEATURES:**

The Government of India decided to extend the comprehensive PMJDY programme beyond 28.08.2018 with some new features/modifications:

- **Shift of focus from 'Every Household' to 'Every Unbanked Adult'**
- **RuPay Card Insurance** - Free accidental insurance cover on RuPay cards increased from Rs. 1 lakh to **Rs. 2 lakhs** for PMJDY accounts opened after 28.08.2018.
- **Enhancement in Overdraft (OD) facilities** -
  1. OD limit doubled from Rs 5,000 to **Rs 10,000**
  2. OD up to Rs 2,000 without conditions
  3. Increase in upper age limit for OD from 60 to 65 years

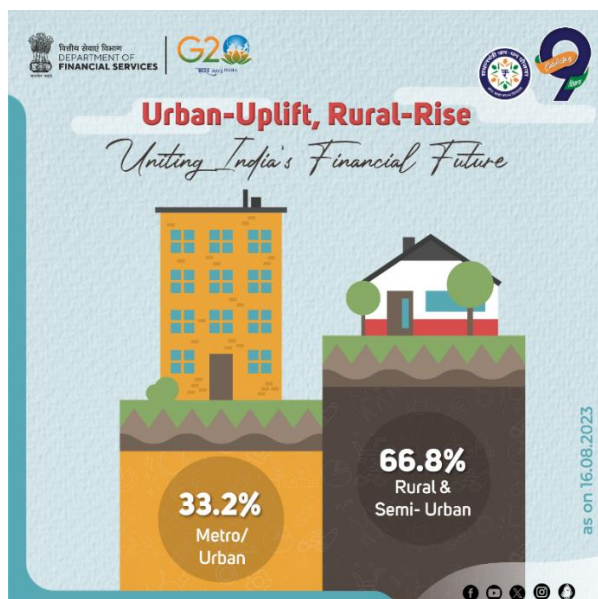
### **IMPACT OF PMJDY<sup>3</sup>**

**PMJDY** has been the foundation stone for people-centric economic initiatives. Whether it is direct benefit transfers, COVID-19 financial assistance, PM-KISAN, increased wages under MGNREGA, or life and health insurance cover, the first step of all these initiatives is to provide every adult with a bank account, which PMJDY has nearly completed.

**One in two accounts opened between March 2014 to March 2020 was a PMJDY account.** Within 10 days of the nationwide lockdown, more than 20 crore women PMJDY account holders were credited financial assistance of Rs 500 per month for three months through DBT.

**Jan Dhan Yojana** provides an avenue for the poor to bring their savings into the formal financial system and remit money to their families in villages besides taking them out of the clutches of the usurious money lenders. PMJDY has brought the unbanked into the banking system, expanded India's financial architecture, and brought financial inclusion to almost every adult.

During the pandemic, India witnessed the remarkable swiftness and seamlessness with which Direct Benefit Transfer (DBT) has empowered and provided financial security to vulnerable sections of society. An important aspect is that DBTs via PM Jan Dhan accounts have ensured every rupee reaches its intended beneficiary and have helped in preventing systemic leakages.

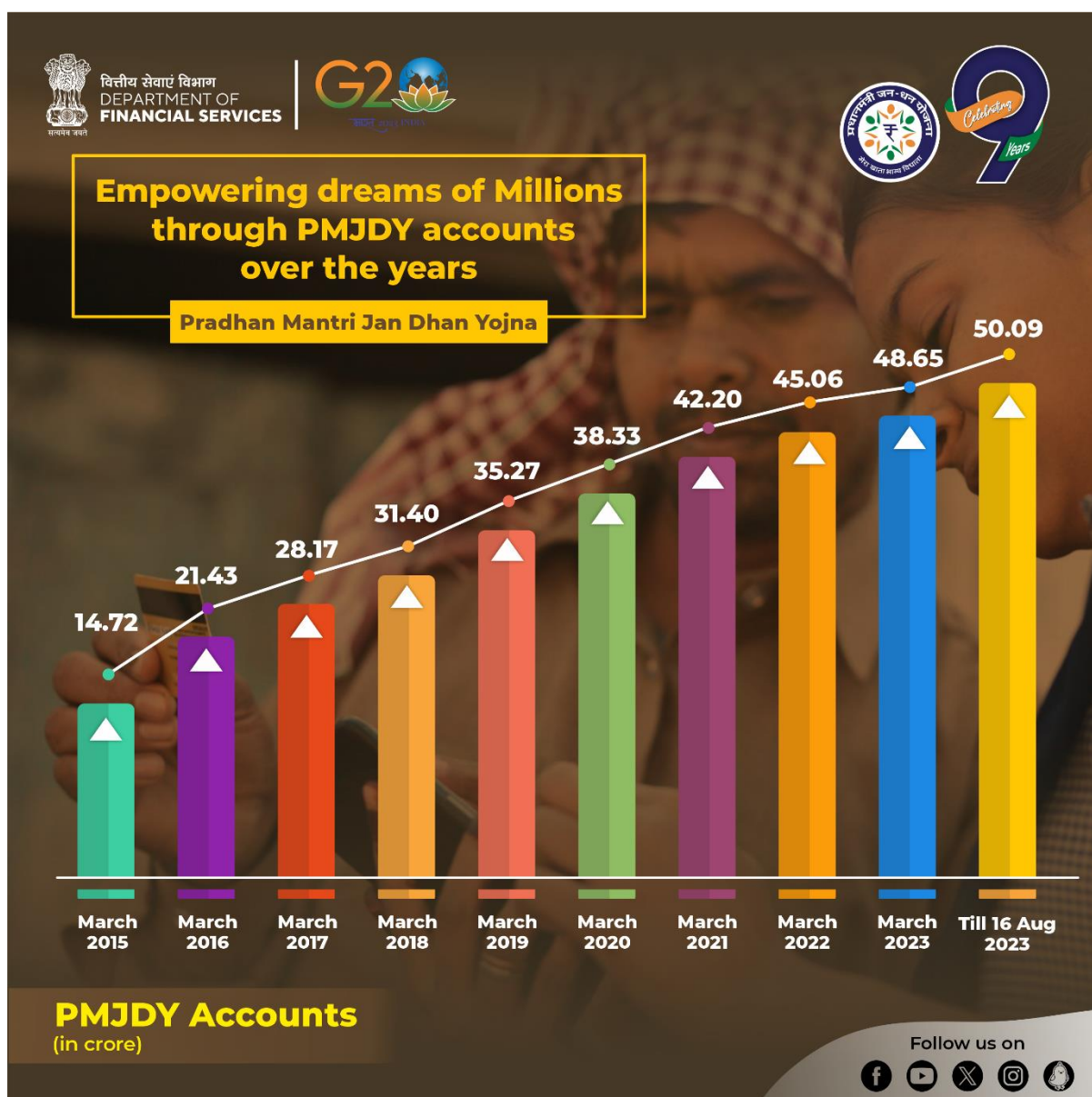


<sup>3</sup> <https://pib.gov.in/PressReleasePage.aspx?PRID=1749749>

## ACHIEVEMENTS UNDER PMJDY:

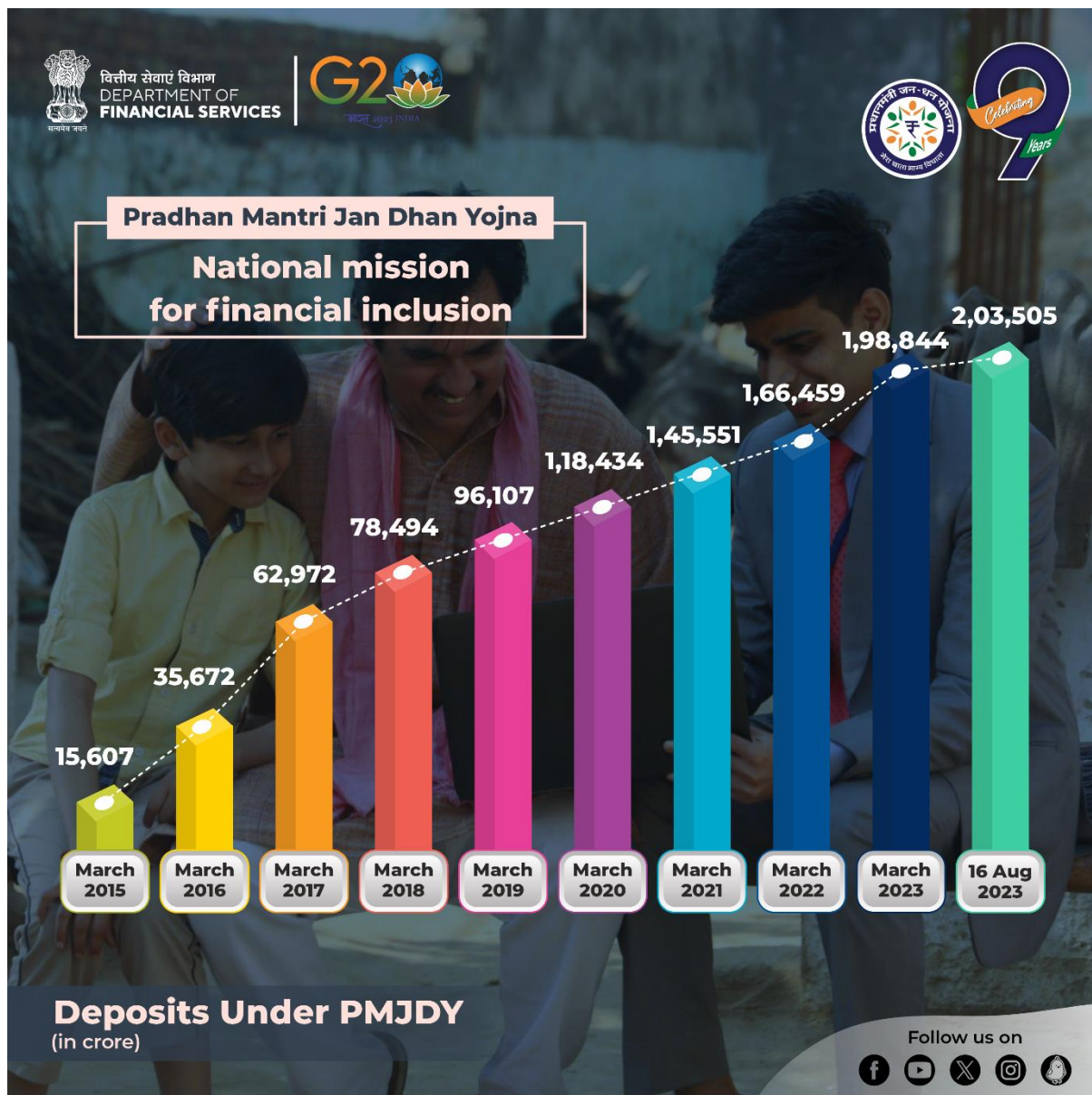
### PMJDY ACCOUNTS

- **50.09 crore** Jan Dhan accounts opened (as of August 9, 2023).
- **55.6% (27.82 crore)** Jan-Dhan account holders are women
- **66.7% (33.45 crore)** of Jan Dhan accounts are in rural and semi-urban areas
- During the first year of the scheme, 17.90 crore PMJDY accounts were opened.
- The number of PMJDY accounts has grown **more than three-fold** from 14.72 crore in March 2015 to **50.09 crore in August 2023**.



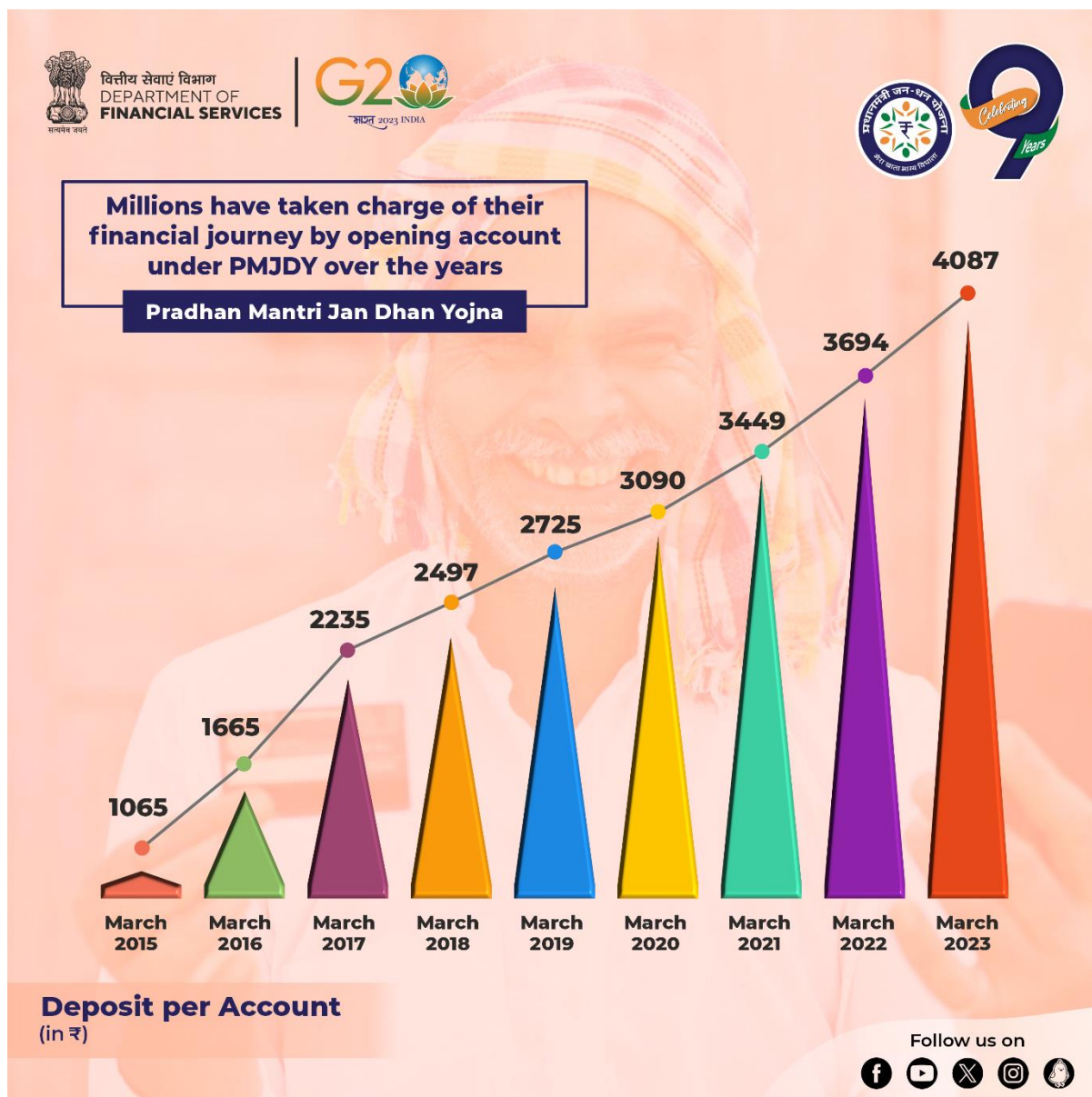
## DEPOSITS UNDER PMJDY ACCOUNTS

- Total deposit balances under PMJDY Accounts stand at **Rs. 2,03,505 crore** (as of August 2023)
- With respect to **August 2015 vs August 2023**,
  - a. Deposits have increased about **13 times**, and
  - b. Accounts have increased about **3.34 times**.



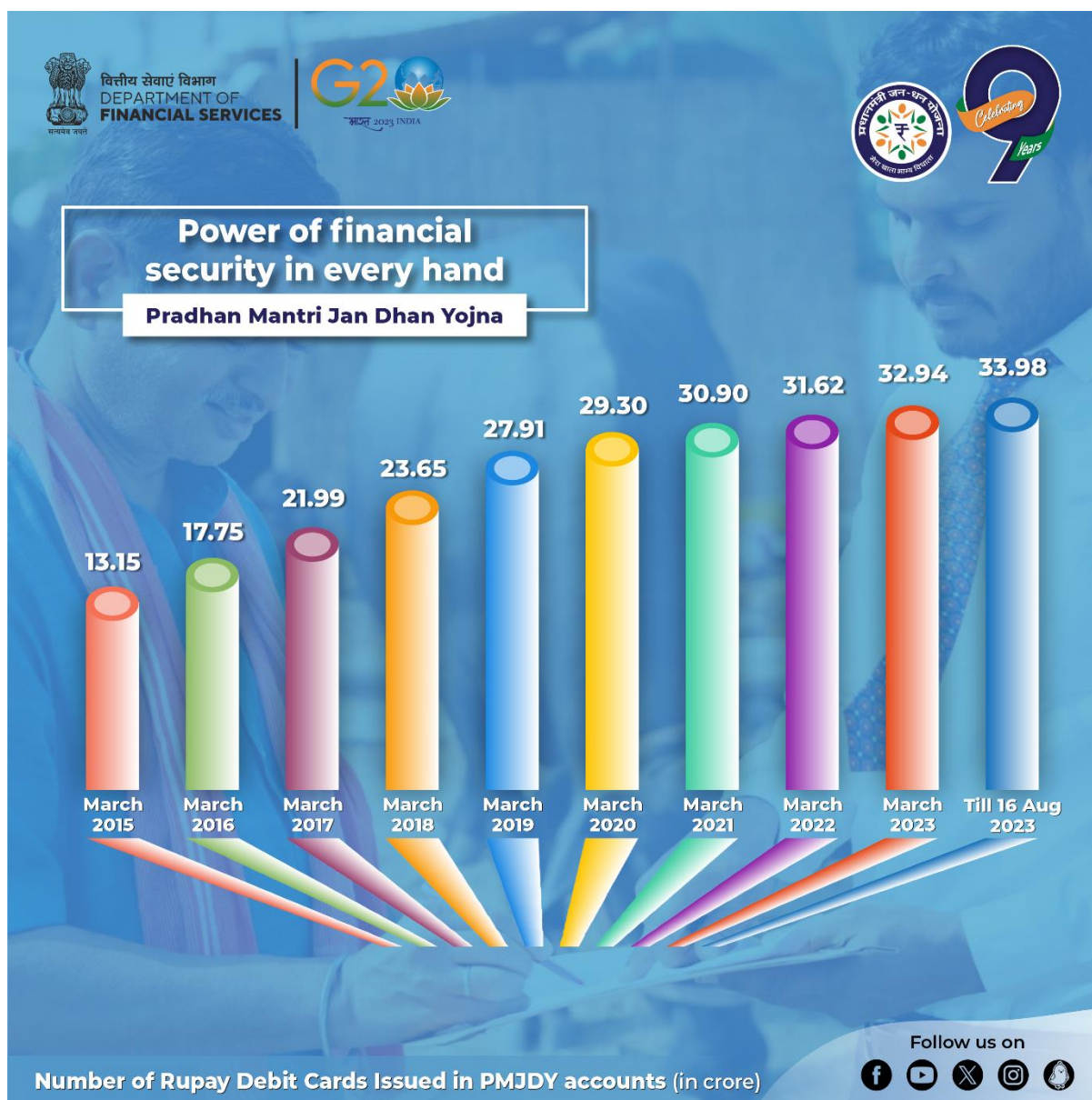
## AVERAGE DEPOSIT PER PMJDY ACCOUNT

- Average deposit per account is **Rs. 4,063** (as of August 16 2023)
- Average Deposit per account has increased nearly 3.8 times over August 2015
- Increase in the average deposit is another indication of increased usage of accounts and inculcation of saving habits among account holders



## RUPAY CARD ISSUED TO PMJDY ACCOUNT HOLDERS

- Total RuPay cards issued to PMJDY account holders: **33.98 crore** (as of August 2023).
- Number of RuPay cards in August 2023 is up by over 2.5 times compared to the number of RuPay cards in March 2015.



## JAN DHAN DARSHAK APP

A mobile application was launched to provide a citizen-centric platform for locating banking touch points such as bank branches, ATMs, Bank Mitras, Post Offices, etc. in the country. Over **13 lakh banking touchpoints** have been mapped on the JDD App. The facilities under the Jan Dhan Darshak App could be availed as per the needs and convenience of common people.

This app is also used to identify villages not served by banking touchpoints within five kilometres. These identified villages are then allocated to various banks by concerned State Level Bankers' Committees (SLBCs) for opening banking outlets. The efforts have resulted in a significant decrease in the number of uncovered villages.

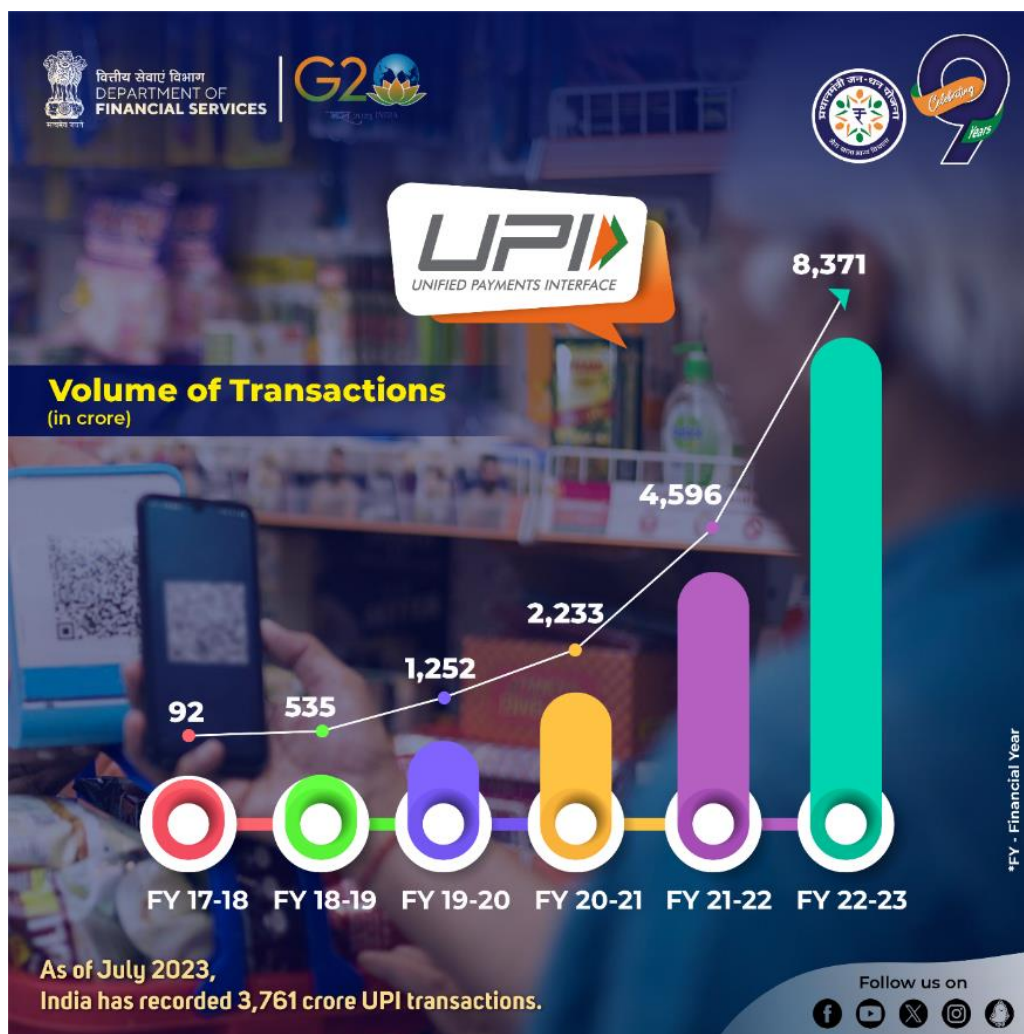
A total of **6.01 lakh villages are mapped on the JDD app** (as of July 2023). Out of these, 5,99,468 (99.7%) of total mapped villages are covered with banking outlets (Bank branch, Banking corner or Indian Post Payment Banks (IPPB) within 5 km radius).

### PRADHAN MANTRI GARIB KALYAN PACKAGE (PMGKP) FOR PMJDY WOMEN BENEFICIARIES

Under PM Garib Kalyan Yojana, an amount of Rs. 500 per month for three months (April 2020 to June 2020), was credited to the accounts of women account holders under PMJDY. A total of **Rs. 30,945 crores have been credited in accounts of women PMJDY account holders** during the COVID lockdown.<sup>4</sup>

### DIGITAL TRANSACTIONS

With the issue of **over 33.98 crore RuPay debit cards** under PMJDY, the **installation of 79.61 lakh PoS/mPoS machines** and the introduction of mobile-based payment systems like UPI, the total number of digital transactions has gone up from 978 crores in FY 2016-17 to **11,394 crore in FY 2022-23**. The UPI financial transactions have increased from 92 crore in FY 2017-18 to 8,371 crore in FY 2022-23. Similarly, the total number of RuPay card transactions at PoS and E-commerce has increased from 28.28 crore in FY 2016-17 to 126 crore in FY 2022-23.



<sup>4</sup> <https://pib.gov.in/PressReleasePage.aspx?PRID=1749749>

## THE ROAD AHEAD

- Endeavour to ensure coverage of PMJDY account holders under micro insurance schemes. Eligible PMJDY accountholders will be sought to be covered under PMJJBY and PMSBY. Banks have already been communicated about the same.
- Promotion of digital payments including RuPay debit card usage amongst PMJDY account holders through the creation of acceptance infrastructure across India
- Improving access of PMJDY account holders to Micro-credit and micro-investment such as flexi-recurring deposit etc.

## REFERENCES:

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- [Pradhan Mantri Jan Dhan Yojana \(PMJDY\) completes nine years of successful implementation, PIB, Aug 2023](#)
- [Pradhan Mantri Jan Dhan Yojana \(PMJDY\) completes eight years of successful implementation, PIB, Aug 2022](#)
- [Pradhan Mantri Jan Dhan Yojana \(PMJDY\) completes seven years of successful implementation, PIB, Aug 2021](#)
- [Pradhan Mantri Jan Dhan Yojana \(PMJDY\) completes six years of successful implementation, PIB, Aug 2020](#)
- <https://pmjdy.gov.in/about>
- <https://pmjdy.gov.in/files/financial-Literacy/Mission-Document/PDF/English.pdf>

## VIDEO LINKS

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- PM on Independence Day: [Pradhan Mantri Jan-Dhan Yojana Announcement, 2015](#)

NR/HP/RK/PPD/SS