



## Nine Years of Pradhan Mantri Jan Dhan Yojana

**For Prelims:** [Pradhan Mantri Jan Dhan Yojana](#), [Direct Benefit Transfer \(DBT\)](#), [Pradhan Mantri Jeevan Jyoti Bima Yojana \(PMJJBY\)](#), [Pradhan Mantri Suraksha Bima Yojana \(PMSBY\)](#), [Atal Pension Yojana \(APY\)](#), [National Centre for Financial Education \(NCFE\)](#), [Unified Payments Interface](#), [Micro Units Development and Refinance Agency \(MUDRA\)](#), [Small Finance Banks \(SFBs\)](#)

**For Mains:** Features and Significance of PMJDY.

**Source:** [PIB](#)

### Why in News?

The [Pradhan Mantri Jan Dhan Yojana \(PMJDY\)](#) has successfully completed **nine years** of implementation.

- It was launched on August 28, 2014 and **stands as one of the largest financial inclusion initiatives globally**, led by the **Ministry of Finance** to provide affordable financial services to vulnerable and economically disadvantaged sections.

### What is Pradhan Mantri Jan Dhan Yojana?

- About:**
  - PMJDY creates a **platform for universal access to banking facilities** with at least one basic banking account for every household, financial literacy, and access to credit, insurance, and pension facilities.
- Features of PMJDY:**
  - It aims to expand banking services through branches and Banking Correspondents (BCs).
    - It covers both urban and rural areas and those who open an account would get indigenous [Debit Card \(RuPay card\)](#).
    - There is no requirement to maintain any minimum balance in PMJDY accounts.
  - Accident Insurance Cover of **Rs.1 lakh (enhanced to Rs. 2 lakh to new PMJDY accounts opened after 28.8.2018)** is available with RuPay card issued to the PMJDY account holders.
  - It provides an **overdraft facility** of Rs. 10,000 to every eligible adult.
  - PMJDY accounts are eligible for [Direct Benefit Transfer \(DBT\)](#), [Pradhan Mantri Jeevan Jyoti Bima Yojana \(PMJJBY\)](#), [Pradhan Mantri Suraksha Bima Yojana \(PMSBY\)](#) and [Atal Pension Yojana \(APY\)](#).

**Note:** An **overdraft** allows individuals to **withdraw money from their bank account** even if **they have an insufficient balance**. Overdrafts are primarily intended to be used for covering **immediate, short-term expenses**.

- Significance:**
  - Promoting Equitable Growth:** PMJDY fosters **Financial Inclusion (FI)**, leading to

**inclusive growth** through the provision of affordable financial services to low-income and disadvantaged segments of the population.

- The **Jan Dhan-Aadhaar-Mobile (JAM) architecture** has enabled seamless transfer of government benefits to common citizens' accounts.
- **Bringing Savings to Formal Systems:** PMJDY has brought the savings of the poor into the formal financial system, freeing them from usurious money lenders.
- **Empowering Women:** Approximately **55.5% of Jan Dhan accounts belong to women**, promoting financial empowerment.
  - **Overdraft** is available in only one account per household, **preferably lady of the household.**
- **Achievements:**
  - More than **50 crore people** have been included in the formal banking system through Jan Dhan accounts.
    - Approximately **67% of these accounts** have been opened in rural and semi-urban areas.
    - Around **34 crore RuPay cards** have been issued to these accounts, providing **₹2 lakh accident insurance cover.**
  - Guinness World Records has acknowledged the PMJDY's success, certifying that the "**Most bank accounts opened in one week as part of the Financial Inclusion Campaign** is 18,096,130 and was achieved by the **Department of Financial Services, Government of India.**"

## What are the Other Government Initiatives to Promote Financial Inclusion in India?

- [National Centre for Financial Education \(NCFE\)](#)
- [Unified Payments Interface](#)
- [Micro Units Development and Refinance Agency \(MUDRA\)](#)
- [Small Finance Banks \(SFBs\)](#) and [Payment Banks](#)
- [Jan Dhan Darshak App](#)

## UPSC Civil Services Examination, Previous Year Question (PYQ)

### Prelims

**Q. 'Pradhan Mantri Jan-Dhan Yojana' has been launched for (2015)**

- (a) providing housing loan to poor people at cheaper interest rates
- (b) promoting women's Self-Help Groups in backward areas
- (c) promoting financial inclusion in the country
- (d) providing financial help to the marginalized communities

**Ans: (c)**

### Mains

**Q. Pradhan Mantri Jan Dhan Yojana (PMJDY) is necessary for bringing unbanked to the institutional finance fold. Do you agree with this for financial inclusion of the poorer section of the Indian society? Give arguments to justify your opinion. (2016)**

