

**PRESS NOTE DATED THE 28<sup>TH</sup> AUGUST, 2015 ON PMJDY**



**PMJDY Celebrates 1<sup>st</sup> Anniversary :  
National Mission for Financial Inclusion**



Pradhan Mantri Jan Dhan Yojana (**PMJDY**) the biggest financial inclusion initiative in the world was announced by the Hon'ble Prime Minister on 15th August 2014 and Mega launch was done by him on 28th August 2014 across the country. Simultaneous launch functions were held in State Capitals and Districts through 79 Mega Camps in the presence of Union Ministers, State Chief Ministers, MPs/MLAs and other dignitaries. More than 70000 account opening camps were held all over the country.

The target of opening one account per household was achieved by 26<sup>th</sup> January 2015 barring few areas in J & K and left wing extremism affected districts. The success of the Pradhan Mantri Jan Dhan Yojana had shown the potential of the enormous role that the financial inclusion program can play in the rise of the economy. At present more than 17.5 crore bank accounts have been opened under Pradhan Mantri Jan Dhan Yojana and the people have deposited more than Rs.22,000 crore in these accounts.

**Empowering the poor and the small by offering them choice and opportunity**

The scheme has been started with a target to provide 'universal access to banking facilities' starting with "Basic Saving Bank Account" with an overdraft upto Rs.5000 subject to satisfactory operation in the account for six months and RuPay Debit card with inbuilt accident insurance cover of Rs. 1 lakh and providing social security schemes i.e., **Pradhan Mantri Suraksha Bima Yojana** , **Pradhan Mantri Jeevan Jyoti Bima Yojana** & **Atal Pension Yojana** .

**Milestones achieved under PMJDY**

- Banks have opened **17.74** Crore accounts under PMJDY with deposit of more than **22000** crores.
- Aadhaar has been seeded in **41.82%** of account opened under PMJDY.
- To ensure universal banking access more than **1.26** lakhs Bank Mitras have been deployed with on- line devices capable of e-KYC based account opening and interoperable payment facility.

- **131012** Mega Financial Literacy camps were organized by banks under PMJDY 'in coordination with various agencies and **89876** Financial Literacy counters , to spread awareness on PMJDY, use of RuPay cards etc. **147418** students in **2567** schools/collage were imparted training on Financial literacy from September 2014 to April 2015(Source: Banks).
- More than **10 lakhs** accounts have been found eligible for Overdraft facility. Out of these overdraft facility has been availed by **164962** account holders.
- **847** Claims of Life cover of Rs.30000 and **389** Claims of accident insurance cover of Rs. 1 lakh have been successfully paid.
- As on 22<sup>nd</sup> August, 2015, **8.17** crore beneficiaries have been enrolled under the Pradhan Mantri Suraksha Bima Yojana and **2.76** crore have been enrolled under Pradhan Mantri Jeevan Jyoti Bima Yojana. **6.83** lakh account holders have been enrolled under Atal Pension Yojana.
- Zero balance accounts in PMJDY have declined from 76% to **45.74%** from September 2014 to 19<sup>th</sup> August 2015

### **Mission Mode Monitoring of PMJDY**

Weekly Video conference (VC) is held under the Chairmanship of Mission Director , PMJDY. The meeting is attended by Addl. Mission Director, PMJDY, Executive Directors of Public and Private sector Banks, representative of IBA, Oil companies, LIC and NPCI to review the progress in PMJDY. In such review meetings several steps are taken for sorting out any problems in successful implementation of PMJDY and these have yielded good results.

### **Accomplishments**

- **Jan Dhan Yojana features in Guinness Book of World Records:** Guinness World Records recognised the achievements made under PMJDY for opening 18,096,130 accounts by Banks in a week (from 23 to 29 August, 2014) as a part of Financial Inclusion Campaign.
- **Launch of dedicated website for Pradhan Mantri Jan Dhan Yojana by Secretary (FS) ON 27.10.2014:** website for PMJDY ([www.pmjdy.gov.in](http://www.pmjdy.gov.in)) which is available in both English & Hindi versions. The website consists of Information on administrative structure with contact details of Central/State/District level mission directors/nodal officers monitoring implementation of PMJDY, information of latest events & latest circulars issued under the Scheme.

- **Tableaux on PMJDY** – A tableaux of Ministry of Finance (Department of Financial Services) was displayed on Republic day depicting clear picture of the Scheme with the help of larger than life structures, 3D pictures and Mime show. It showed people from low income groups who have been benefitted under the Scheme.



- **Payment of wages under MNREGA:** More than Rs **4273** crore have been routed through these accounts till June 2015 towards payment of wages under MNREGA. **(Source: MNREGA, Ministry of Rural Development).**
- **DBTL transactions:** Transfer of subsidy of more than Rs **17446** crore through Jan Dhan accounts from November 2014 to 31<sup>st</sup> July 2015. **(Source: Ministry of Petroleum & Natural Gas).**

## Touching lives

- **Smt. Nabisha Begam** works as a maid servant. Her Husband is a contract labour and she has two school going children. Her earnings were wasted due to unwanted spending habits in her family before opening a bank account. The PMJDY Account is her First Bank Account opened through Financial Literacy Camp conducted in that area by IDBI Bank. After opening of PMJDY account, she has improved her banking habits by making regular transactions and savings. She is now a part time Flower seller too in that same area because of the amount saved through this bank account. Her family is much benefitted by this account as she has increased her earnings in dual way- working as servant maid in forenoon and as a flower seller in evening. She has also planned to increase her business by availing OD facility through this account.
- **Shri M. Marivel s/o Mariappa Thevar** got his account opened with Central bank of India on 19.09.2014 .Very next day, he collected his passbook and also deposited Rs.100/- in his account. Thereafter he did not turn up to branch. He

died due to massive heart attack on 03.01.2015 at the age of 42 years. He was the sole bread earner of his family. Shocked with sudden grief, his family members along with neighbors visited branch and conveyed the death. Branch Manager collected the necessary papers and processed the claim. Within 48 hours information was received by branch that Saving Account of the spouse of the deceased got the credit of Rs.30, 000/- i.e. the life insurance claim amount under PMJDY. Wife of the deceased thanked profusely to the branch staff and PMJDY Scheme for helping in nick of the time.

There are many such success stories where the Pradhan Mantri Jan Dhan Yojana has touched the lives of the poor and low income group (Details available on website [pmjdy.gov.in](http://pmjdy.gov.in)).

The scheme is a game changer for the Indian economy. It has created a platform for inculcating the habit of saving money, providing formal credit facilities, plugging leakages in public subsidies and welfare programs. This is indeed a credible achievement of the Government for changing the economic condition of the people.

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27<sup>th</sup> August, 2015

### Message on the First Anniversary of PMJDY

PMJDY has been one of the most vital initiatives towards financial inclusion in India till date. Our scale of ambition in undertaking this project in a Mission Mode was much higher than any other initiatives taken in the past. PMJDY has been instrumental in bringing almost all families of the country into the formal financial system and enabling citizens at grassroots level to perform financial transactions and keep their hard earned money safe. Owing to dedicated efforts of Government and banking institutions, substantial results have been achieved. With close to 18 crore (180 million) bank accounts opened and nearly every household having a bank account, wage payments and subsidies being directly routed to bank accounts, we indeed have come a long way. We have been recognized by Guinness World Records for opening over 1.8 crore (18 million) bank accounts in a single week. It has been an extraordinary journey as the Mission Head. I am extremely proud of all my team members and compliment them for their unrelenting efforts. As a next step, the aim is to utilize these accounts for extending insurance, pension and credit facilities to those who are currently excluded from these benefits. I am sure that together we will succeed in empowering the poor of the country in having a financial footprint and remarkably improving their standard of living.

  
(Arun Jaitley)

## **Message from the Secretary, Department of Financial Services**

Pradhan Mantri Jan DhanYojana, PMJDY was announced by Hon'ble Prime Minister in his Independence Day address on 15th August, 2014 and launched across the country on 28<sup>th</sup> August, 2014.

Process simplification and customer's convenience have been at the core of design of PMJDY. First, the account opening form was made one pager, simplified and universal. Use of e-KYC reduced paper work and documentation. Second, the citizen had option of opening account even during extended working hours and with customer service points (Business correspondents) in branchless banking. Third, multiple services were bundled in single product i.e. bank account, RuPay Card, mobile banking, insurance and credit (over draft). Fourth, entire account opening process was completed in quick time and accounts were instantly activated. Fifth, multiple channels were made available to the citizen for grievance management like email, toll free number, portal, physical letters. The grievances were immediately attended to within 2 days and resolved within 5-7 days. Finally the whole task was done in a Mission mode with very strict timelines.

Technology has been a key enabler of PMJDY. Technology was efficiently leveraged to address some of the challenges faced in previous financial inclusion initiatives. Use of USSD based mobile banking, e-KYC, RuPay Debit Cards ensured simplification of processes and time saving for the citizens. We also used technology for very effective monitoring of PMJDY from the Mission Office.

All these initiatives led to very encouraging response from our citizens. As per our initial the demand for bank accounts was around 7.5 Crores (75 million). However so far close to 18 Crore (180 Million) accounts have been opened. The number of citizen service points (Business Correspondents) in branchless banking has increased from 1.02 lakhs (102 thousand) to 1.26 lakhs (126 thousand). There has been mobilization of more than Rs 22,000 Crores (Rs 220 Billion) in these bank accounts.

Now the focus of PMJDY has moved from account opening to the realms of social security benefits like accident insurance, life insurance, credit to low income groups and provision of pensions. PMJDY has been a game changer in the financial inclusion efforts in the country. It has demonstrated that when we converge the efforts of all stake holders, and work in unison with clearly defined goals, unprecedented results follow.