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India Reports 23% Jan Dhan Accounts Inactive

August 18, 2025

— *Categories: Finance*

Among the 56.04 crore accounts opened under the Pradhan Mantri Jan Dhan Yojana (PMJDY), nearly 23 per cent have become inactive, the government informed Parliament on Monday. Minister of State for Finance Pankaj Chaudhary shared the data while responding to questions in the Lok Sabha.

According to official figures, as of July 31, 2025, about 13.04 crore PMJDY accounts remain dormant. Uttar Pradesh recorded the highest number with 2.75 crore inactive accounts, followed by Bihar with 1.39 crore and Madhya Pradesh with 1.07 crore.

Under the Reserve Bank of India's guidelines issued on February 18, 2009, a savings account is categorised as inactive if it records no transactions for more than two years.

To address this challenge, the government has launched multiple measures to encourage the usage of PMJDY accounts. One such initiative is the Direct Benefit Transfer (DBT) system, which ensures that welfare payments reach account holders directly. These benefits are credited even if the accounts are currently inactive.

The minister noted that from July 1 to September 30, 2025, a special nationwide campaign is being carried out at the Gram Panchayat level. The drive focuses on re-KYC of inactive PMJDY accounts and aims to bring more account holders back into active use.

Banks have also been directed to regularly inform customers about account status. This communication is done through letters, emails, or SMS alerts. Additionally, banks are

required to contact account holders of inactive accounts every quarter to encourage reactivation.

Chaudhary also clarified that there is no proposal to levy transaction charges on Unified Payments Interface (UPI) services. To maintain the smooth functioning of the UPI system, the government had introduced an incentive scheme during the past four financial years. From FY 2021–22 to FY 2024–25, around ₹8,730 crore was allocated under this scheme to support ecosystem partners.

The Pradhan Mantri Jan Dhan Yojana, launched in August 2014, is the government's flagship financial inclusion program. It aims to provide universal access to banking facilities, financial literacy, insurance, and pension to every household in the country. While the scheme has seen massive enrollment across states, the high percentage of dormant accounts remains a challenge.

Officials emphasise that continued efforts such as direct transfers, re-KYC drives, and awareness campaigns are expected to help in reducing the number of inactive accounts and encourage greater participation in the formal banking system.