

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**INDIA ANNOUNCES NEW PARTNERSHIP TO ACCELERATE FINANCIAL
INCLUSION FOR EVERYONE;
GOVERNMENT OF INDIA JOINS THE UNITED NATIONS' BETTER THAN CASH
ALLIANCE FOR DIGITIZATION OF PAYMENTS TO ACHIEVE FINANCIAL
INCLUSION AND TO SHARE SUCCESS STORIES FROM PMJDY, THE WORLD'S
LARGEST FINANCIAL INCLUSION PROGRAMME**

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The Government of India is joining the UN-based Better Than Cash Alliance. The announcement comes on the First Anniversary of the Prime Minister Shri Narendra Modi's flagship financial inclusion programme *Pradhan Mantri Jan-Dhan Yojana* (PMJDY).

Under PMJDY, in one year, about 180 million new accounts have been opened, with deposits totaling more than \$3.4 billion (223 billion Rupees).

The new partnership with the Better Than Cash Alliance, made up of Governments, companies, and international organizations, is an extension of Indian Government's commitment to reduce cash in its economy. Digital financial services lower the cost of providing financial services and make it more convenient for poor people to access their accounts.

The Union Finance Minister of India Shri Arun Jaitley said: "The scale of ambition of *Pradhan Mantri Jan-Dhan Yojana* has been much higher than for any other financial inclusion initiative in the past. The project 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."

India's announcement comes ahead of next month's United Nations Special Summit in New York, when Prime Minister Shri Narendra Modi and other world leaders will launch the adopted Sustainable Development Goals (SDGs). Digital financial services are a key tool for the implementation of the goals, and advocates hope India's leadership inspires other governments to harness the power of digital payments as a strategy for achieving the SDGs.

Dr. Ruth Goodwin-Groen, Managing Director of the Better Than Cash Alliance said that India's leadership and progress are inspirational for countries around the world. He said that by making the digitization of payments to achieve financial inclusion a top priority, the Indian Government is showing its commitment to improving the lives of its people and driving inclusive growth.

One year ago, the Government of India had announced PMJDY with a goal of covering every household with a bank account in less than five months' time. The programme focuses on

citizens excluded from the formal financial sector, including women, small farmers, and labourers. To ensure that these accounts are actively used, the Government is delivering financial products, such as credit for economic activity, as well as remittance facilities, insurance, and pension directly into the accounts.

The Union Finance Minister of India Shri Arun Jaitley said “We have been recognized by the Guinness World Records for opening over 1.8 crore (10 million) bank accounts in a single week. 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.”

Dr. Hasmukh Adhia, then Secretary, Department of Financial Services, Ministry of Finance, Government of India, said: “PMJDY has been a game changer in the country’s financial inclusion efforts. The initiative has demonstrated that when we converge the efforts of all stakeholders, and work in unison with clearly defined goals, unprecedented results follow.”

The financial inclusion programme, along with Aadhaar biometric Unique Identity cards that make it easier for the Government to identify social benefit recipients and the widespread use of mobile phones, are driving financial inclusion in India. It is also resulting in cost savings. The fuel subsidy programme, which is the world’s largest cash transfer programme, saved \$2 billion (131 billion Rupees) by paying cooking gas consumers directly into their bank accounts, according to a new paper by Columbia University.

Success stories

There have been many success stories since the launch of PMJDY. For example, Canara Bank opened 12 million accounts and delivered financial literacy and educational tools to poor people in rural areas. Union Bank of India has also prioritized financial inclusion in rural areas, with a particular focus on women by providing weekly education trainings in villages and garment factories.

Rama Devi’s story highlights the impact on people’s lives. A resident of the small village of Nawadkheda, she opened her bank account during PMJDY’s launch one year ago that included extensive outreach to the community. Prior to opening a bank account with IDBI Bank, the mother of three who helps her husband in his general store did not have a bank account or any idea of the benefits of having one. She now transacts on a regular basis and plans to open recurring deposit accounts for all her children.

By joining the Better Than Cash Alliance, the Indian Government will have a research, technical, and policy partner as it continues to create a digital financial economy. Other Government members of the Alliance will also benefit by gaining access to the lessons and insights of India’s experience and growing expertise.

About Better Than Cash Alliance

The Better Than Cash Alliance is a partnership of Governments, companies, and international organizations that accelerates the transition from cash to digital payments in order to reduce poverty and drive inclusive growth. The United Nations Capital Development Fund serves as the secretariat. To learn more, visit www.betterthancash.org, follow [@BetterThan_Cash](https://twitter.com/BetterThan_Cash) and [subscribe for news](#).

About *Pradhan Mantri Jan-Dhan Yojana* (PMJDY), National Mission on Financial Inclusion, Department of Financial Services, Ministry of Finance, Government of India

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. To learn more, visit <http://www.pmjdy.gov.in>.
