80 per cent Jan Dhan Yojana accounts have cash balance: Arun Jaitley

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Union Finance Minister Arun Jaitley has said that 80 per cent of the 240 million new accounts opened under the Pradhan Mantri Jan-Dhan Yojana are now functional with cash balances.

“Today, we have been able to connect 240 million people additionally to the banking system. About 80 per cent of them are today functional with cash balances,” Jaitley said at a panel discussion on ‘Financial Inclusion not Exclusion: Managing De-Risking’ here on Friday.

“Eighty per cent of these accounts didn’t have money, in the first instance. So all government programmes — from central to regional to local bodies which give assistance to the weaker sections — now transfer payments in these accounts. The payments come from schemes like rural employment guarantee scheme and subsidies on fuel, food and ferlilisers,” he added.

Talking about the Jan Dhan programme, he said the government undertook it with a mission mode.

The entire banking system, including government banks, coordinated and we were able to bridge the gap substantially in 100 days, he said.

On another important government initiative of Unique Identification Authority of India (UIDAI), the Finance Minister said it has been able to cover a billion people in India, that is, 98 per cent of the adult population.

The biometric identity (Aadhar) helps the government to identify people who are entitled to state support and exclude those who are not, he added.

“Collectively we have been able to bring a lot of people under financial inclusion, but it is still a work in progress,” Jaitley said.

World Bank President Jim Yong Kim lauded India’s efforts on financial inclusion and UIDAI.

“What’s been going on in India is fantastic. Billions of dollars have been saved because of focus on bank accounts. India is a fantastic example of how we can spread benefits of unique identification,” Kim said.

Earlier, the Finance Minister along with Shaktikanta Das, Secretary, Department of Economic Affairs (DEA), Ministry of Finance, participated in the 2016 International Monetary Fund (IMF)-World Bank Annual Meetings Plenary, which was held here on Friday.

On the sidelines of annual meetings of the IMF and the World Bank, Jaitley also held bilateral meetings with his counterparts from Sri Lanka, China, and Iran. The discussions mainly focused on the areas of mutual co-operation and commonality of positions in various multilateral fora.

Das participated in the World Bank Development Committee meeting, during the afternoon, wherein he spoke about the wide-ranging economic reforms undertaken in India which are transforming the business environment for Indian and global investments.

He also met the president of the New Development Bank and the CEOs of the Luxembourg Stock Exchange and Scotia Bank.

Jaitley is currently on official tour to Washington to attend the annual meetings of the IMF and the World Bank and other associated meetings.