

# Digitising Finance and Financial Literacy: Perspectives from India

Geographical area – 7<sup>th</sup> in the world -Widely dispersed terrains

Population – 2<sup>nd</sup> largest in the world –1.3 billion

29 States and 6 Union Territories, 707 districts,  
600 thousand + Villages

Rural Population- Around 70%

**Multilingual** and **Multiethnic** society

Low level of Literacy (74%)- A sizeable no. versed in regional  
languages only

Smartphone users – 225 mn +  
Overall Mobile phone subscribers- 1 bn  
Internet Users – 462 mn+

# Digitising Finance: A Stepped Process



- Unique Identification Number for all residents
- Biometrics employed for de-duplication
- Total Aadhaar generated (Jan 2017): 1.09 bn +
- Efficient delivery of social welfare: Direct Benefit Transfer



- National Mission on Financial Inclusion of all households (launched on 28 August 2014)
- 125 mn Basic Savings Bank Accounts opened in mission mode in 5 months (266.8 mn accounts so far)
- Focus on weaker sections & low income groups
- Access to need- based credit, remittances, insurance, pension
- Life Insurance policies issued: 30.8 mn, Accident Insurance: 98.8 mn



- Unified Payments Interface: An open and interoperable technology
- Works by allocating a unique identification or virtual address
- Security of transactions
- Accessible through smartphones/ Feature phone (through USSD)

# Digitizing Finance – Financial Literacy Initiatives

