

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
RAJYA SABHA
STARRED QUESTION NO. *104
ANSWERED ON TUESDAY, JULY 29, 2025 / 7 SRAVANA, 1947 (SAKA)

BANKING THE UNBANKED VILLAGES

***104. DR. ASHOK KUMAR MITTAL:**

Will the Minister of **FINANCE** be pleased to state:

- (a) whether Government has effectively addressed the barriers in providing banking services to unbanked villages;
- (b) the specific measures implemented to ensure that the financial inclusion schemes reach marginalized communities through banks, including SC/ST groups; and
- (c) whether there are any measures to hold the banks accountable for failing to meet financial inclusion targets?

ANSWER

THE FINANCE MINISTER
(SMT. NIRMALA SITHARAMAN)

(a) to (c) A Statement is laid on the Table of the House.

Statement referred to in reply to Rajya Sabha Starred Question No. *104 for 29.07.2025 by Dr. Ashok Kumar Mittal, MP, regarding “Banking the unbanked villages”.

(a) to (c) The endeavour of the Government is to ensure availability of banking outlet (Bank Branch / Business Correspondent / India Post Payments Bank) within 5 kms of all inhabited villages in the country. Availability of banking outlets is monitored by a Geographic Information System (GIS) based App., namely, the Jan Dhan Darshak (JDD) App. As per the JDD App, out of total 6,01,328 inhabited villages in the country, 6,00,803 (99.91%) villages are covered with banking outlets (Bank Branch / BC / IPPB) within a radius of 5 kms.

Various Financial Inclusion schemes have been launched across the country to provide affordable financial services to all, especially marginalized communities, including SC/ST groups namely; Pradhan Mantri Jan Dhan Yojana (PMJDY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Atal Pension Yojana (APY), Pradhan Mantri Mudra Yojana (PMMY) and the Stand Up India Scheme (SUPI).

Further, several initiatives are being undertaken in an ongoing manner by the Government alongwith the State Authorities, to address challenges being faced in financial inclusion schemes in the country which are as under:

- i. Several special campaigns have been launched, from time to time, at Gram Panchayat level to reach the last mile beneficiaries. These campaigns aim at enrolling individuals under Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY) and other Financial Inclusion Schemes;
- ii. The State Level Bankers' Committees (SLBCs) / Union Territory Level Bankers' Committees (UTLBCs) play a crucial role by coordinating efforts among Banks, Government agencies, Lead District Managers, Financial Institutions, Insurance companies, and other stakeholders to increase coverage under these Schemes at the state level;
- iii. The Centre for Financial Literacy (CFL) Project has been initiated by the Reserve Bank of India since 2017 with an objective to adopt community-led innovative and participatory approaches to financial literacy. As on March 31, 2025, a total of 2,421 CFLs have been set up across the country with one CFL covering three blocks on an average;
- iv. A strong network of about 16 lakh Banking Correspondents (BCs), representing the last mile connect in the Banking Services delivery system, is also enrolling eligible people under Financial Inclusion Schemes.
- v. Various online platforms like the Jan Samarth portal, PSB Loans in 59 Minutes, Stand-up Mitra portal, etc., have been established to provide quick and hassle-free credit to everyone in a user-friendly manner; and
- vi. Allocation of targets to all banks under each scheme and periodic review of performance of banks is done on regular intervals and corrective steps are taken if required.
