

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA

STARRED QUESTION NO. *31

ANSWERED ON MONDAY, FEBRUARY 5, 2024/MAGHA 16, 1945 (SAKA)

Promotion of Financial Inclusion

***31. SHRI KANAKMAL KATARA:
SHRIMATI RAKSHA NIKHIL KHADSE:**

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

- (a) whether the Government has taken steps to include everybody in the society by giving them basic financial services;
- (b) if so, the details thereof;
- (c) the details of the steps taken by the Government to promote financial inclusion in the country; and
- (d) the measures taken by the Government to foster entrepreneurship, especially among unorganized small-scale entrepreneurs like street vendors?

ANSWER
THE FINANCE MINISTER
(Smt. Nirmala Sitharaman)

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

Statement referred to in reply to Lok Sabha Starred Question No. *31 for 05.02.2024 by Shri Kanakmal Katara, MP & Shrimati Raksha Nikhil Khadse, MP regarding “Promotion of Financial Inclusion”.

(a) to (d) The Government initiated the National Mission for Financial Inclusion (NMFI), namely, Pradhan Mantri Jan Dhan Yojana (PMJDY) in August, 2014 to provide universal banking services for every unbanked household based on the guiding principles of banking the unbanked, securing the unsecured, funding the unfunded and serving unserved and underserved areas.

In order to give impetus to financial inclusion initiatives of the Government, PMJDY was extended beyond 14.08.2018 with the focus on opening of accounts shifting from “every household” to “every unbanked adult”. The scheme was made more attractive with upward revision in :

- (i) OD limit from Rs.5,000 to Rs.10,000 and
- (ii) Accident insurance cover on RuPay card holders from Rs. 1 lakh to Rs. 2 lakh.

PMJDY has been successful in increasing banking penetration to promote financial inclusion across the country. A total of 51.61 crore Jan-Dhan accounts with a deposit balance of Rs. 2,17,218 crores have been opened as on 17.01.2024 under PMJDY. Out of the above, 28.60 crore (55.5%) Jan-Dhan accounts belong to women and about 34.41 crore (66.8 %) PMJDY accounts have been opened in rural and semi-urban areas.

The opening of Jan-Dhan accounts has facilitated the coverage of various social security schemes amongst the unorganized sections of the society. The coverage as on 17.01.2024, is as under:-

- i. Under **Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)**, 19.18 crore cumulative enrolments have been done to provide life insurance cover of Rs. 2 lakh for death due to any reason;
- ii. Under **Pradhan Mantri Suraksha Bima Yojana (PMSBY)**, 42.45 crore cumulative enrolments have been done to provide one-year accidental cover of Rs. 2 lakh (death or permanent total disability) and Rs. 1 lakh (permanent partial disability);
- iii. Under **Atal Pension Yojana (APY)**, 6.20 crore cumulative enrolments have been done to provide monthly pension to eligible subscribers.

Further, with the objective of “Funding the Unfunded” and to promote entrepreneurship, especially among the unorganized small entrepreneurs such as street vendors, the coverage of credit linked schemes launched by the Government, *inter-alia*, are as under-

- i. Under **Pradhan Mantri Mudra Yojana (PMMY)**, 46.03 crore cumulative loans amounting to Rs. 27.29 lakh crore (as on 19.01.2024) have been sanctioned to provide collateral-free institutional finance to micro/small business units up to Rs.10 lakh for income generating activities in the sectors such as manufacturing, trading, services and activities allied to agriculture.
- ii. Under **Stand Up India Scheme (SUPI)**, 2.16 lakh cumulative loans amounting to Rs. 48,878 crores (as on 25.01.2024) have been sanctioned to Scheduled Caste / Schedule Tribe and Women entrepreneurs for setting up greenfield projects in the sectors such as manufacturing, trading, services and activities allied to agriculture.
- iii. **PM Vishwakarma Scheme**, launched on 17.09.2023, aims to provide end-to-end holistic support to traditional artists and craftspeople engaged in 18 identified trades through access to skill training, collateral-free credit, modern tools, market linkage support and incentive for digital transactions.
- iv. **Prime Minister Street Vendor's Atma Nirbhar Nidhi (PMSVANidhi)** was launched on June 01, 2020 with the main objective of providing relief to street vendors affected by Covid-19 lockdown. The Scheme envisages empowering street vendors by not only extending loans to them but also for their holistic economic development.
