

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS

**LOK SABHA**  
**UNSTARRED QUESTION NO. 218**  
TO BE ANSWERED ON 29.11.2021

**NET FINANCIAL ASSETS**

218. SHRI K. NAVASKANI:  
SHRI BALUBHAU ALIAS SURESH NARAYAN DHANORKAR:

Will the Minister of FINANCE be pleased to state:

- (a) whether people's Net Financial Assets dropped from 21 per cent of India's Gross Domestic Product (GDP) to 8.2 per cent of GDP and if so, the details thereof;
- (b) whether 230 million Indians have been pushed below the poverty line, according to a report and if so, the details thereof;
- (c) whether 159 districts in 25 States saw a decline in fixed deposits in Q4 of 2020-21;
- (d) if so, whether the Government is taking any steps to alleviate the acute economic distress that ordinary citizens are facing; and
- (e) if so, the details and impact reports of the steps taken in this regard?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a) : As per the Preliminary Estimates of Household Financial Savings for Q3 of 2020-21 released by Reserve Bank of India, net financial assets of the household sector stood at 21 per cent of India's Gross Domestic Product (GDP) in Q1 of 2020-21, 10.2 per cent in Q2 of 2020-21 and 8.2 per cent in Q3 of 2020-21. A drop in the ratio from Q1 to Q2 is explained by much lower contraction of GDP at 7.4 per cent in Q2 as compared to 24.4 per cent contraction in Q1 in the pandemic year of FY 2020-21. A further drop from Q2 to Q3 is explained by a fall in bank deposits that followed higher spending in the economy when COVID-19 cases declined and the unlocking of the economy was complete.

(b) : According to Niti Aayog's National Multidimensional Poverty Index (MPI) Baseline Report released in November, 2021, India's national MPI identifies 25.01 per cent of the population as multidimensionally poor. This report is based on National Family Health Survey 4 (NFHS-4), which was conducted in 2015-16 by International Institute of Population Sciences (IIPS) under Ministry of Health and Family Welfare (MHFW), Government of India, in consultation with 12 Line Ministries and in partnership with State governments and the index publishing agencies –Oxford University's Oxford Poverty and Human Development Initiative (OPHI) and United Nations Development Programme (UNDP). The household microdata collected at the unit-level for the NFHS serves as the basis of the computation of National MPI. IIPS and MHFW, which conducted NFHS 5 in 2019-20, released its summary fact sheets for all States and Union Territories on 24 November, 2021. NITI Aayog's preliminary observations on the summary factsheets suggest improvement in access to clean cooking fuel, sanitation, and electricity which translates to reduction in deprivation. Additionally, the State reports released for 22 States and UTs suggest reduction in deprivation in school attendance, drinking water, bank accounts and housing. These improvements indicate significant and further

reduction in the incidence of multidimensional poverty since NFHS 4 (2015-16) owing to focussed programmatic interventions and flagship schemes.

(c) : As per the latest Quarterly Statistics on Deposits and Credit of Scheduled Commercial Banks released by the Reserve Bank of India, 159 districts in 25 State/UTs saw a decline in fixed deposits in Q4 of 2020-21 compared to Q4 of 2019-20, as private consumption registered a positive growth after contracting for three consecutive quarters.

(d)&(e): The decline in multidimensional poverty has been driven by programmatic interventions and flagship schemes of Government that has focused on inclusive growth as reflected in Government's commitment to Sabka Saath, Sabka Vikas. "Gaon, Gareeb aur Kisan", in particular has been at the centre of government policies. In this regard, Government has been implementing a number of targeted programmes to improve the per capita income of both rural and urban India for overall balanced development in the country. These programmes, inter-alia, include Pradhan Mantri Kisan Samman Nidhi, Pradhan Mantri Kisan Maan-Dhan Yojana, Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Deendayal Antyodaya Yojana-National Rural and Urban Livelihoods Mission, Skill India, Pradhan Mantri Awaas Yojana (PMAY), Pradhan Mantri Gram Sadak Yojana (PMGSY), Swachh Bharat Mission, Sansad Adarsh Gram Yojana, Shyama Prasad Mukherjee National RuRBAN Mission, National Social Assistance Programme (NSAP), Pradhan Mantri Jan-Dhan Yojana (PMJDY), Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), Shyama Prasad Mukherji Rurban Mission (SPMRM), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana, Atal Pension Yojana, Pradhan Mantri Mudra Yojana, Stand Up India Scheme, Pradhan Krishi Sinchai Yojana, Swachh Bharat Mission (Rural and Urban). Government has also implemented the Aspirational Districts Programme aimed at comprehensive development of backward areas in six areas: (i) health & nutrition, (ii) education, (iii) agriculture & water resources, (iv) financial inclusion, (v) skill development, and (vi) basic infrastructure.

To limit the damage inflicted by the pandemic on the economy and initiate quick recovery of economic growth in FY 2020-21, Government had announced a special economic and comprehensive package of Rs. 29.87 lakh crore under AtmaNirbhar Bharat (ANB) including measures announced by Reserve Bank of India and PM Garib Kalyan Yojana (PMGKY). Under the PMGKY package of Rs.1.70 lakh crore, an ex gratia of Rs. 1,000 in two instalments of Rs. 500 each were given to 2.82 crore existing old age, widow and disabled beneficiaries of National Social Assistance Programme (NSAP), amounting to Rs. 2814.50 crore, and an ex gratia of Rs. 1,500 in three instalments of Rs. 500 each were paid to all 20 crore plus women account holders of PMJDY through Direct Benefit Transfer (DBT), amounting to Rs. 30,944.9 crore. In addition, under Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) free food grains were distributed to nearly 80 crore beneficiaries.

The Union Budget 2021-22 further announced a number of measures to support broad-based and inclusive economic development. These, inter-alia, include a 34.5 percent increase in capital expenditure and 137 percent increase in health expenditure apart from rationalization of personal income tax rates to support domestic demand, a 16-point action plan for holistic development of the agriculture sector and critical measures to boost rural spending. Subsequently, a relief package of Rs 6.29 lakh crore was announced in June 2021 to strengthen public health and provide impetus for growth and employment measures.

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