

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO.1535
TO BE ANSWERED ON MONDAY, FEBRUARY 09, 2026 /*Magha* 20, 1947 (Saka)

Financial Stress faced by Households

1535. Shri Zia Ur Rehman:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware of the financial stress faced by households, small traders and farmers in Western Uttar Pradesh due to rising prices, taxation burden and limited access to affordable loans;
- (b) if so, the details of fiscal measures, relief schemes or credit assistance provided to that region;
- (c) whether such economic and financial challenges are affecting citizens across the country; and
- (d) if so, the details of the steps taken/proposed to be taken by the Government to ensure economic stability, inclusive growth and financial security at the national level?

ANSWER

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

(a) to (c): Recent policy measures and macroeconomic conditions have created a supportive economic environment for households, small traders and farmers across the country, including Western Uttar Pradesh. The average headline inflation, as measured by the Consumer Price Index, has moderated to below 2 per cent during April - December 2025, strengthening purchasing power and easing cost-of-living pressures. The ongoing easing of interest rates and improved liquidity conditions are expected to reduce households' and small borrowers' debt-servicing burden. In addition, the income tax exemption for annual incomes up to ₹12 lakh and GST rate rationalisation measures are expected to enhance the disposable incomes of households and small businesses, enabling improved consumption, savings and asset creation. As per the NABARD Rural Economic Conditions and Sentiments Survey (November 2025), 79.2% of rural households reported increased consumption expenditure in the last one year, the highest among all bi-monthly rounds in FY 2025-26 so far.

Furthermore, the farmers are being supported through assured income assistance under Pradhan Mantri Kisan Samman Nidhi, expanded access to affordable institutional credit via Kisan Credit Card, and comprehensive risk coverage under Pradhan Mantri Fasal Bima Yojana. Also, the continued expansion of credit access through schemes such as MUDRA and PM-SVANidhi is enabling small entrepreneurs and street vendors to sustain and grow their livelihoods, thereby supporting their incomes and savings, and contributing to improved financial resilience for citizens across regions, including Western Uttar Pradesh.

(d): The focus of the Government on capital expenditure and infrastructure build-up, gradual fiscal consolidation, and price stability gives a thrust to economic growth and macroeconomic stability. Committed to the objective of inclusive growth, the Government has initiated several targeted schemes aimed at reducing poverty and inequality, promoting income generation and livelihood opportunities, improving the quality of life of vulnerable sections, providing targeted tax relief to enhance disposable incomes, and supporting micro, small and medium enterprises across the country. Further, the direct benefit transfers into bank accounts opened under Pradhan Mantri Jan Dhan Yojana, expanded social security coverage through Pradhan Mantri Jeevan Jyoti Bima Yojana and Pradhan Mantri Suraksha Bima Yojana, and continued capital expenditure led growth to create jobs and crowd in private investment have supported financial security in the country.
