

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**LOK SABHA**  
**UN-STARRED QUESTION No. 5946**

ANSWERED ON MONDAY, 30 MARCH, 2026/CHAITRA 09, 1948 (SAKA)

**“Expenditure Incurred on Financial Inclusion”**

5946. SHRI SUKANTA KUMAR PANIGRAHI:

Will the Minister of FINANCE be pleased to state:

- (a) the total budget allocation and actual expenditure incurred by the Government on financial inclusion initiatives during the last three years and the current year, scheme and State-wise;
- (b) the progress made in expanding financial inclusion through digital banking, Direct Benefit Transfer (DBT) and other initiatives across the country;
- (c) whether the Government is exploring the use of Artificial Intelligence (AI) and emerging technologies to strengthen financial inclusion, improve credit access and enhance financial services delivery, if so, the details thereof; and
- (d) the future roadmap and policy initiatives proposed by the Government to leverage AI and digital financial infrastructure to achieve inclusive growth and the objectives of Viksit Bharat?

**ANSWER**

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

(a) The Government initiated the National Mission for Financial Inclusion (NMFI) 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 through Schemes like Pradhan Mantri Jan Dhan Yojana (PMJDY), Pradhan Mantri Mudra Yojana (PMMY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Atal Pension Yojana (APY). No budgetary allocation is made for the aforesaid Schemes. However, for PMMY a Credit Guarantee Scheme has been devised which is administered through National Credit Guarantee Trustee Company (NCGTC) and a corpus of Rs. 3,900 crores have been sanctioned for the same.

(b) With an aim to enhance access to digital banking services, the Digital Banking Units (DBUs) were announced in the Union Budget 2022–2023. The number of DBUs have increased from 89 in FY 2022–2023 (Oct. 2022 till Mar. 23) to 120 in FY 2025–2026 (till Feb. 2026) across 113 districts by 27 banks, covering all States and Union Territories. They provide a wide range of end-to-end digital banking services, including account opening, fund transfers, deposits, loan applications, and bill payments.

The volume of digital payment transactions has increased from 7,198 crore in FY 2021–2022 to 22,198 crore in FY 2024–25. The total value of transactions also grew from Rs. 1,744 lakh crores to Rs. 2,863 lakh crores for the same period. For the same period, the volume and value of Unified Payment Interface (UPI) transactions increased from 4,597 crore to 18,587 crores and Rs. 41 lakh crores to Rs. 261 lakh crores respectively.

The data regarding the number of PMJDY accounts linked to Direct Benefit Transfer (DBT) Schemes is not centrally maintained. However, 86.20% PMJDY Accounts are seeded with Aadhaar to enable them to take benefits of the Aadhaar Payment Bridge System (APBS) as a unique payment system to strengthen DBT delivery.

(c) & (d) The financial services sector in India has undergone lots of technological advancements with emerging technologies such as Artificial Intelligence (AI), Machine Learning (ML), Cloud Computing, Blockchain, etc. in the recent past. These technologies have been deployed in various areas such as digital payments, customer service, fraud detection mechanisms, alternative credit assessment models, predictive analytics for financial market trends, etc. The Unified Payments Interface (UPI) has revolutionised India's payments industry by ensuring convenient, seamless, fast and secure payments.

As informed by the Ministry of Electronics and Information Technology, initiatives like IndiaAI Application Development Initiative (IADI) have been designed to foster the development and adoption impactful AI solutions that can drive large-scale socio-economic transformation. IndiaAI has launched the IndiaAI Financial Reporting Compliance Challenge, in collaboration with the National Financial Reporting Authority (NFRA) to identify and support innovative, scalable, and responsible AI-driven solutions for strengthening financial reporting compliance, enhancing anomaly detection, and improving regulatory oversight mechanisms through advanced AI systems.

The Reserve Bank of India constituted a committee on December 26, 2024 to develop a Framework for Responsible and Ethical Enablement of AI (FREE-AI) in the financial sector with a mandate to recommend a robust, comprehensive AI framework for ethical and responsible adoption in the financial sector. The Committee released its report on August 13, 2025, outlining a roadmap for ethical AI adoption in India's financial sector.

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