

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

UNSTARRED QUESTION NO. 230

ANSWERED ON TUESDAY, DECEMBER 5, 2023/ 14 AGRAHAYANA, 1945 (SAKA)

STEPS TO PROMOTE FINANCIAL INCLUSION IN THE COUNTRY

230. Shri Satish Chandra Dubey:
Shri Brij Lal:

Will the Minister of FINANCE be pleased to state:

- (a) the steps taken by Government to promote financial inclusion in the country; and
- (b) the steps taken by Government to promote entrepreneurship, especially among the unorganized small entrepreneurs such as street vendors?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR BHAGWAT KARAD)

(a) & (b) 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 scheme 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 and to promote financial inclusion across the country, evident from the fact that a total of 50.99 crore Jan-Dhan accounts have been opened till 24.11.2023 under PMJDY, with a deposit balance of Rs. 2,10,214 crore. Out of above, 28.29 crore (55.50%) are women Jan-Dhan account holders and about 34.06 crore (66.80%) 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 among the unorganized sections of the society. The coverage as on 24.11.2023, is as under-

- i. Under **Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)**, 18.58 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)**, 41.16 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)**, 5.95 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*, is as under-

- i. Under **Pradhan Mantri Mudra Yojana (PMMY)**, 44.46 crore cumulative loans amounting to Rs. 26.12 lakh crore (as on 24.11.2023) have been sanctioned to provide collateral-free institutional finance to micro/small business units up to Rs.10 lakh for income generating activities such as manufacturing, trading, services, including activities allied to agriculture.
- ii. Under **Stand Up India Scheme (SUPI)**, 2.08 lakh cumulative loans amounting to Rs. 46,892 crores (as on 24.11.2023) have been sanctioned to Scheduled Caste / Schedule Tribe and Women entrepreneurs.
- iii. Under **Prime Minister Street Vendor's Atma Nirbhar Nidhi (PMSVANidhi)**, 73.85 lakh cumulative collateral free loans, amounting to Rs. 9,705 crores, have been disbursed to 56.16 lakh street vendors (as on 28.11.2023) affected by Covid-19 lockdown for empowering them by not only extending loans to them but also for their holistic economic development.
- iv. **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.
