



1D2: 📜 Pension & Financial Inclusion

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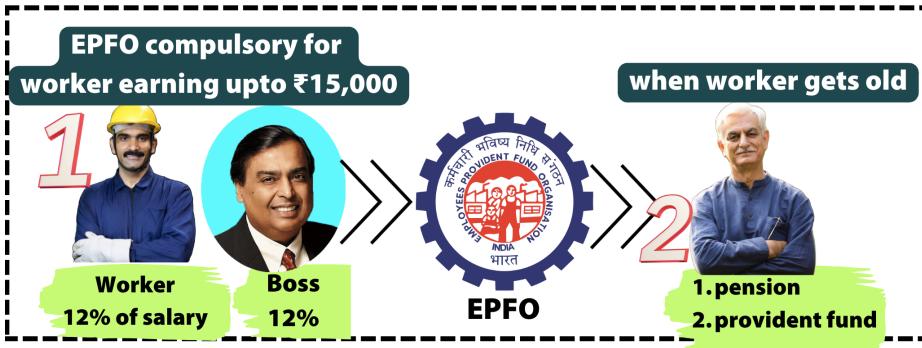
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18 🧑🔧 → 🧑💰📝 PENSION (पेंशन)

- 📈 Insurance: person/his family eligible to receive ₹ ₹ if he suffers death / damage. e.g. PM Jeevan Jyoti: ₹ 2 lakhs on death. जीवन बीमा का लाभ लेना है तो व्यक्ति का मरना जरूरी है
- 🧑 Pension: Person eligible to receive monthly ₹ ₹ when he retires. And when he dies, his wife (is usually) eligible to receive monthly ₹ ₹. When she also dies, scheme stops. बुढ़ापे में पेंशन मिलता रहे। आपके मरने पर आपके पति या पत्नी को भी पेंशन मिलता रहे।

18.11 🧑🦁 EMPLOYEE PROVIDENT FUND ORG. (कर्मचारी भविष्य निधि संगठन)

- 1951-52: EPFO was setup initially by ordinance & then Act.
- Nodal: Labour Ministry (श्रम मंत्रालय).
- EPFO governed by Tri-partite “Central Board of Trustees” लिदलीय केन्द्रीय न्यास बोर्ड -
 - Government (Union + state) – 15 nominees (मनोनीत सदस्य)
 - Employers (industrialists) - 10 nominees
 - Employees (workers) – 10 nominees
- They decide where to invest money (usually G-sec>C-Bonds>Shares; with minimum and maximum slabs) and they decide how much interest should be paid to subscribers.



18.11.1 EPFO → Employee Provident Fund Scheme (EPF-1952)

- ⇒ Principal + interest returned upon retirement age/ death.
- ⇒ Interest Rate: 8.5%(2020-21) → 8.1%(2022-23, lowest in last 40 yrs.) → 8.25% (2023-24) → 8.25% (2024-25)
- ⇒ Partial withdrawal allowed upto “X%” allowed for education, marriage, illness and house construction etc. (अवधि से पहले आंशिक रूप से पैसा निकालने की भी छूट होती है।)

18.11.2 EPFO → Employees Deposit Linked Insurance Scheme (EDLI-1976)

- ⇒ Boss pays Premium. If worker dies → family gets insurance.
- ⇒ 2020-Reform: if worker died of Corona family member will be given insurance (min 2.5 lakh to max 7 lakh). कोरोना मृतक श्रमिक के परिजनों को बीमा राशि

18.11.3 EPFO → Employee Pension Scheme (EPS-1995)

- ⇒ Monthly pension on retirement (once they attain the age of 58 years old) / permanent disability (वय-निवृत्ति/स्थायी विकलांगता में पेशन मिलेगा).

$$\text{EPS pension amount} = \frac{\text{Avg salary of last 5 years} \times \text{number of years in service}}{70}$$

- ⇒ **Note1:** Different websites give different formulas. Formula is not imp, but sufficient to know that it is not linked with SHAREMARKET performance (unlike NPS scheme.)
- ⇒ **Note2:** If the worker dies before retirement (=while in job) → the minimum guaranteed pension to the spouse = ₹ 1,000 per month.

18.11.4 EPFO: more facts

- EPFO Act doesn't apply to cooperative society with less than 50 workers, if such cooperative society not using power (electricity, coal etc). [Why? Ans. NOTIMP.]
- EPFO subscriber **worker has UAN (Universal Account Number)** that remains unchanged even if he changes job from one organization to another. (मजदूर का खाता नंबर- नौकरी बदलने पर भी वही रहता है)
- Previously, employee himself couldn't generate his UAN, he had to request his boss to send forms to EPFO. But 2019: EPFO allowed employees to generate UAN online by simply giving Aadhar & Mobile Number. (एक जमाने में मजदूर ने मालिक द्वारा फॉर्म भिजवाना होता, लेकिन अब मजदूर खुद अपना खाता खोल सकता है)



- Factory owner/Employer has LIN (Labour Identification Number)- which he uses while uploading EPFO documents on Shramsuvidha webportal of Labour Ministry.
- EPFO & ESIC transactions can be done through:
 - o Through public and pvt sector banks (बैंक खाते द्वारा पैसा भेज सकते हैं)
 - o through Ministry of Electronics and Information Technology (MeitY)'s UMANG App (Unified Mobile Application for New-age Governance).
- Casual employee = employed only for a few days/weeks/months.)
- EPFO doesn't differentiate between casual (temporary), contractual and regular(permanent) employees. (यानी सबको सब लाभ मिलता है, यह कानून कायमी और अस्थायी मजदूरों में भेद नहीं करता है।)

MCQ. With reference to the casual workers employed in India, consider the following statements: [अयथावधि मजदूरों के बारे में सही वाक्य ढूँढिए] (Prelims-2021)

1. All casual workers are entitled for Employees Provident Fund coverage. [सभी अयथावधि मजदूर ईपीएफओ के लिए हकदार हैं]
2. All casual workers are entitled for regular working hours and overtime payment. [सभी अयथावधि मजदूर सामान्य धंटों में किए गए कार्यवेतन और ओवरटाइम वेतन के लिए हकदार हैं]
3. The government can by a notification specify that an establishment or industry shall pay wages only through its bank account. [सरकार यह निर्देश जारी कर सकती है कि चिह्नित उद्योगों ने केवल बैंक खाते द्वारा वेतन भुगतान करना होगा]

Codes: a) 1 and 2 only b) 2 and 3 only c) 1 and 3 only d) 1, 2 and 3

Note: as per [EPFO circular](#), st1 is right still UPSC official answerkey gone with the interpretation that st1 is wrong and by elimination of options containing this statement, the official correct answer [B].

18.11.5 🧑🔧👤 EPF Commutation (2020)

- ⇒ EPFO: Employees' Pension Scheme (EPS: कर्मचारियों की पेंशन योजना) = worker gets pension after retirement age (58 years).
- ⇒ **EPF Pension commutation**= Worker can partially withdraw his pension in advance before reaching retirement age. But, then EPFO will pay him less pension afterwards when he actually reaches retirement age. (पेंशन रूपांतरण: वयनिवृत्ति उम्र/परिपक्वता समय से पहले पैसा उठाना। हालाँकि ऐसा करने पर बाद के वर्षों में पेंशन कम मिलेगा)

18.11.6 → EPFO-CITES ✎ CPPS: Centralized Pension Payments System

CITES = IT modernization project, Centralized IT Enabled System.

Before दफ्तरों के धक्के खाओ।	after
when the worker retired, he had to visit the bank branch for physical verification, to start receiving the pension.	Problem solved. All banks connected online with EPFO.
Each Zonal EPFO Office partnered with 3–4 banks, causing payment issues for pensioners without accounts in those 3–4 banks.	same as above



After changing residence, Pensioners must visit zonal EPFO offices to update Pension Payment Orders (PPO) with new bank branch code.	same as above
EPFO's pension release system was decentralized at zonal-level	centralized online.

18.11.7 📱 EPFO 3.0: portal / facility upgrade (2025)

- Improved digital experience- similar to e-Banking.
- Subscriber can withdraw the money from ATM machines.
- No need to visit the EPFO office for small small thing e.g. updating the home address, filing complaints. It can be done online.

18.11.8 EPFO : Higher pension rule for those earning over 15,000 = NOT IMP for Exam deleted from handout.

18.12 🤷‍♂️ 🤷‍♀️ 🔐 GOVT SCHEMES FOR EPFO CONTRIBUTION

18.12.1 🤷‍♂️ 🤷‍♀️ 🔐 (2016) Pradhan Mantri Rojgar Protsahan Yojana (Labour Min)

- Too outdated for 2023 so deleting it.
- Under the scheme government contributed some money to EPFO, on behalf of the factory owner, when factory owner recruited new persons. (फैक्ट्री मालिक जब नए आदमी को नौकरी पे रखेगा तो कुछ वर्षों के लिए सरकार उसका EPF का पैसा भरेगी, ऐसी पुरानी ने योजना के)

18.12.2 🦅 Atmanirbhar Bharat Rozgar Yojana= Subsidy from Central Govt in EPFO contribution
It was launched during the Atmanirbhar Bharat 3.0 package (November 2020)

Beneficiary eligibility: Worker's Monthly wages LESS THAN ₹15,000 AND

- 1) Fresh EPFO-Worker got new job in an EPFO registered firm OR
- 2) Past EPFO-Worker had lost job between March1 to Sept30 of 2020, BUT got a job on/after October1, 2020 in an EPFO registered firm

👉 Entitlement: यह योजना में फायदा क्या मिलेगा

EPF scheme	-worker (मजदूर)	Boss (मालिक)
if the firm has up to 1000 employees	12% of wages → 🤷‍♂️ Govt to contribute to EPFO	12% → 🤷‍♂️ Govt to contribute to EPFO (सरकार देगी)
if the firm has >1000 employees	12% of wages → 🤷‍♂️ Govt to contribute to EPFO	👉 12%: Boss has to contribute from his pocket. Govt will not contribute.

👉 Benefit? Formal Job creation, more money in the hands of workers → demand ⬆ → Post corona economy Revival. (औपचारिक रोजगार सृजन, मजदूर के हाथ में ज्यादा पैसा आएगा जिससे बाजार में मांग में बढ़ोतरी)

👉 Scheme validity? (यह योजना कितने दिनों तक वैद्य/जारी रहेगी)

⇒ Scheme registration open till June 2021.

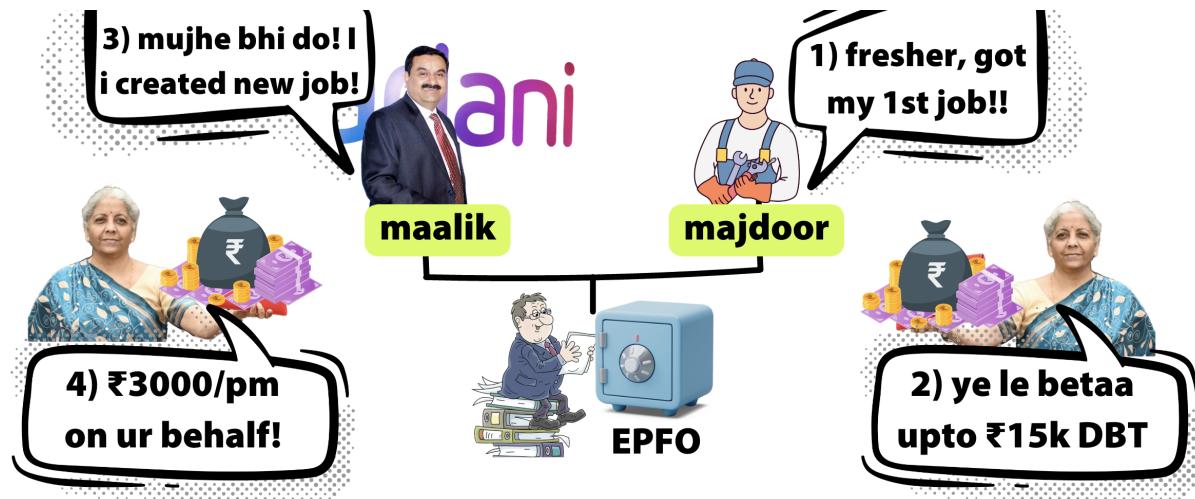
⇒ Registered worker will continue to receive benefit for two years. e.g. if registered in January 2021 → then ₹ upto January 2023.



>Note: for faster revision I have used the term worker and boss (मजदूर और मालिक) But, in real mains exam, you should write employee and employer/Entrepreneur (कर्मचारी और नोकरीदाता / उद्यमी)

18.12.3 🎓 💰 Employment link incentive scheme (ELI) in ₹ Budget-2024:

Boss? Ministry of Labour & Employment. Target? to create over 2 crore jobs in the country in a period of 2 years, with 3 components 🙌

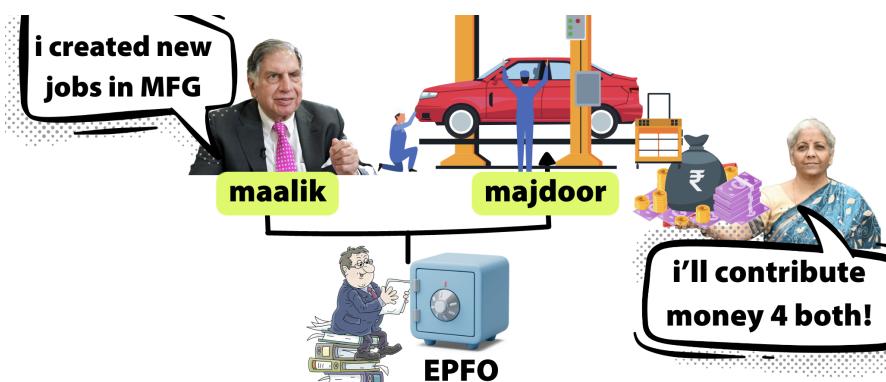


18.12.3.1 🎓 💰 ELI-Scheme A: First Timers ko 15k bonus (Target >2cr jobs)

- First-time EPFO employees receive a direct benefit transfer (DBT) equivalent to one month's salary. (Max limit of DBT ₹15,000,)
- To be released in three installments. Employees earning over ₹1 lakh NOT eligible.

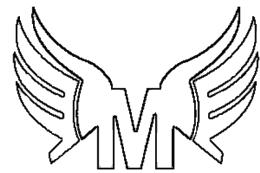
18.12.3.2 🎓 💰 ELI-Scheme B: Job Creation in manufacturing (target 30 lakh jobs)

- when new jobs created in MFG sector,
- government to contribute money in the EPFO account for the first four years - for both factory owner and worker. exact details yet to be released.



18.12.3.3 🎓 💰 ELI-Scheme C: Support to employers (target 50 lakh jobs)

- if owner creates a job paying upto ₹1 lakh per month.
- Then on behalf of owner, the government will contribute upto ₹3000 in such worker's EPFO per month. Scheme valid for first two years of such new-job.

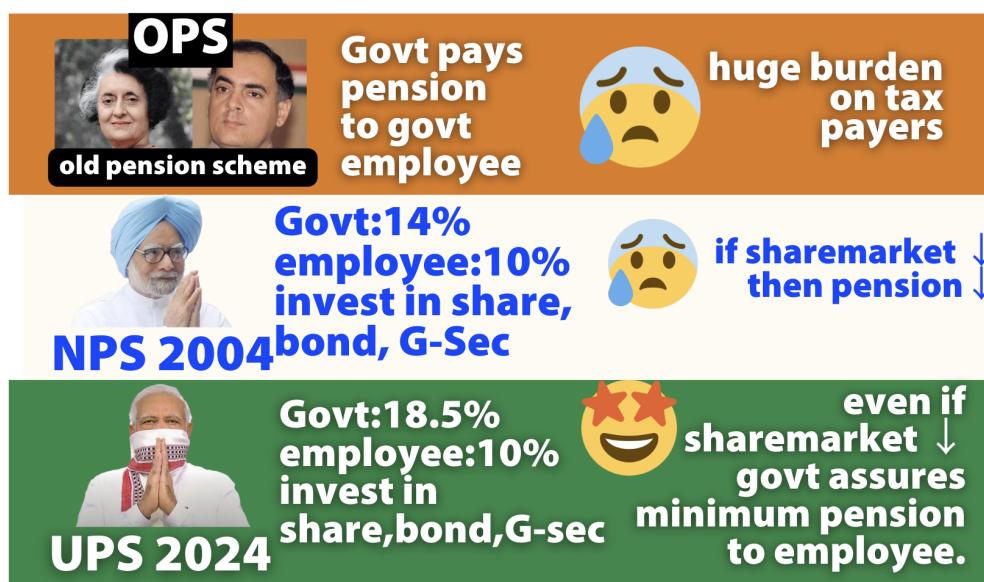


18.12.4 ➡️FAQ: "why not merge EPFO with ESIC!!?"

Their laws are different. To merge them you've to merge two laws. Send ur suggestion to PM.

18.12.5 Coal Miner's pension: CMPFO → C-CARES portal

- Coal miners have a separate EPFO-like act -called Coal Mines Provident Fund & Misc Provisions Act, 1948.
- Boss? Coal Mines Provident Fund Organisation (CMPFO) a statutory body under the Ministry of Coal. (कोयले की खदान में काम करने वाले मज़दूरों के लिए EPFO जैसा अलग कानून/ प्रणाली है।)
- CMPFO launched a portal, C-CARES, to help those miners/pensioners.



UNIFIED PENSION SCHEME: MINIMUM ASSURED PENSION

if 10 yr job done
then ₹10k
minimum pension.

if 25 yr jobs then pension =
50% of avg salary of last 12
months before retirement

employee dies:
family gets 60%
pension

pension to increase with inflation as per CPI-IW (industrial worker) index

18.13 ⚒→⭐ PENSION FOR GOVT EMPLOYEES? = OPS, NPS, UPS?

NPS-for Govt Employees (from 2004)	NPS- for Middle Class (from 2009)
<ul style="list-style-type: none"> 2004: New Pension Scheme (नवीन पेंशन योजना) →(2009) renamed into National Pension System. (राष्ट्रीय पेंशन प्रणाली) Subscriber? Those who joined govt. service on or after 01/01/2004 (except Armed forces) Mechanism? Employees (10 % of basic pay) + Govt. contribution (14% of basic pay): 	<ul style="list-style-type: none"> In 2009, the Government employee-walla National Pension System was made open for all citizens (and NRIs) aged 18-55 on voluntary basis. so, even citizens who're not in govt job, they can also join NPS, contribute money till age of 60, as per their capacity → pension.



NPS-for Govt Employees (from 2004)	NPS- for Middle Class (from 2009)
since Interim-Budget-2019) → goes to PFRDA → NPS Trust → empaneled NPS-Fund-manager → Invested G-sec, Corporate Bonds and Shares depending on your preference in Tier1/Tier2 accounts.	

- NPS subscribers have PRAN: Permanent Retirement Account Number, Just like EPFO subscriber has UAN Number.

18.13.1 🤴→👤 Pension: NPS: T V Somanathan committee (2023)

Finance Ministry had setup T V Somanathan to review the NPS pension scheme for government employees and suggest any changes, if needed. → UPS system proposed. see next section. ↗

18.14 🤵 UPS-UNIFIED PENSION SCHEME FOR GOVT EMPLOYEES. (एकीकृत पेंशन योजना)

- Notified in 2024-Aug. Actually, Starts from 1/4/2025.
- Central Govt employee is given choice - he can remain in NPS or shift to UPS.

Contribution (योगदान)	NPS	UPS
👤 Employer (govt)	14%	18.5%
👤 Worker/Employee	10% of salary	10%

Note: there are many components in the salary like basic salary, TA, DA, HRA etc. we will not go into PHD. We will only remember general words ke 10% of salary.

18.14.1 🤵 UPS-Entitlement for govt employees? (कितने पेंशन की गारंटी है?)

pension	min 10 yrs of service	25 yrs of service
assured pension	₹10,000 per month	50% of avg monthly salary of the last 12 months before retirement

- When pensioner dies → 60% “Family pension” to spouse/husband/wife.
- Pension will increase with inflation via Consumer Price Index for Industrial Workers (CPI-IW) (महँगाई के हिसाब से बढ़ेगा). (Ref: Pillar#4E for more on CPI)
- upon retirement, apart from monthly pensions, the employee will get one time **lump sum payment** also. (एकबार भूत्या मिलेगा !) How much? Not imp.

18.14.2 🤵 Old Pension Scheme (OPS) in Non-BJP States

- ⇒ Union Govt believes 1) we don't have enough money to sustain OPS. 2) better to use tax payers' money for the welfare of poor people.
- ⇒ However some non-BJP states such as Rajasthan reverting to OPS.
- ⇒ Experts argue that OPS is unsustainable because State govts don't have enough money to run it forever. More elaboration / bolbachchan = shifted to Mains. #Raftaar-for-Prelims.



18.14.3 🚩 NPS: Andhra Guaranteed Pension Scheme (GPS)

State Govt Employee	State Govt	Guaranteed Pension
10% of salary	10%	33% of last salary before retirement
14%	14%	40% of last salary before retirement

18.14.4 🌐 NPS : penny drop verification mandatory (2023)

- “Penny drop test” means a pension company transferring a small amount of money, e.g., ₹1, to the subscriber’s bank account as a test before crediting the entire amount.
- If there is an error, the remaining money will not be sent until the details are corrected (e.g., bank account number/branch IFSC code).
- In 2023, PFRDA made “penny drop verification” compulsory for NPS.

18.15 🚩→👤 NPS FOR PEOPLE NOT IN GOVT JOB

18.15.1 🚩→👤 NPS-Lite (Swavlamban) (2010)

If poor person from unorganized sector joined NPS, then govt to contribute ₹1000 per year for 5 YR in their account. (असंगठित क्षेत्र के गरीब के खाते में सरकार द्वारा पाँच साल के किए १-१ हज़ार रुपये वार्षिक का योगदान)

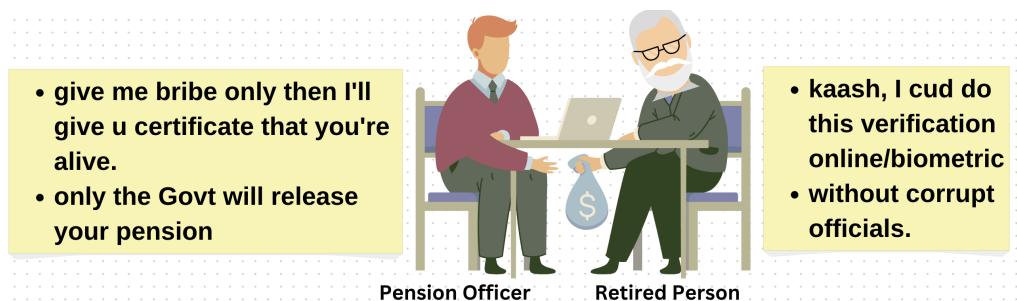
18.15.2 🚩→👶 NPS-Vatsalya for minors in 💰Budget-2024

- pension account can be opened for minors (below age 18)
- parents/guardians can contribute money in it.
- Annually contribution limit: minimum Rs. 1,000. Maximum: unlimited.
- When the minor reaches the age of 18, their NPS Vatsalya will be converted into a normal/standard NPS account.

18.15.3 🚩→👤 Pension: NPS: Minimum Assured Return Scheme (MARS) for non-govt employees

- ⇒ PFRDA yet to release the guidelines so for the sake of simple example
- ⇒ suppose PFRDA gave MARS of 8% on an NPS account (of a non-govt employee)
- ⇒ Then if NPS unable to give u 8% return then whatever loss- will be paid by PFRDA/other org to subscriber. 😊 Benefit? It'll attract more people to join NPS. (ये तो एक काल्पनिक उदाहरण दिया है)

18.15.4 🚩→✍️ Jeevan Pramaan (2014)



- Previously, a pensioner (in any Govt / public sector org.) had to submit a physical life certificate in November each year to prove that he's alive = hardship, bribery.

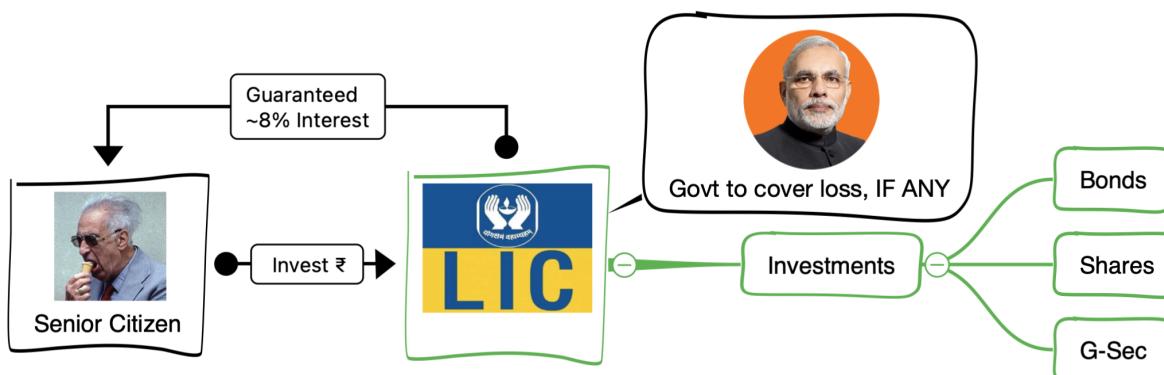


- "Jeevan Pramaan" – an "Aadhar-based Digital Life Certificate" by Ministry of Electronics & Information Technology (MEITY) (आधार कार्ड और अंगूठा लगा के ज़िंदा होने का प्रमाण पत्र ताकि पेंशन मिलता रहे)
- Pensioner's Aadhar number + biometric reading device → PC, Mobile → "Digital Life Certificate" → submit to the authority → pension released.
- 2020: Jeevan Pramaan system also expanded to EPFO subscribers.
- 2022: EPFO also allows facial recognition system because in some very old pensioners, difficult to scan finger-print/iris.

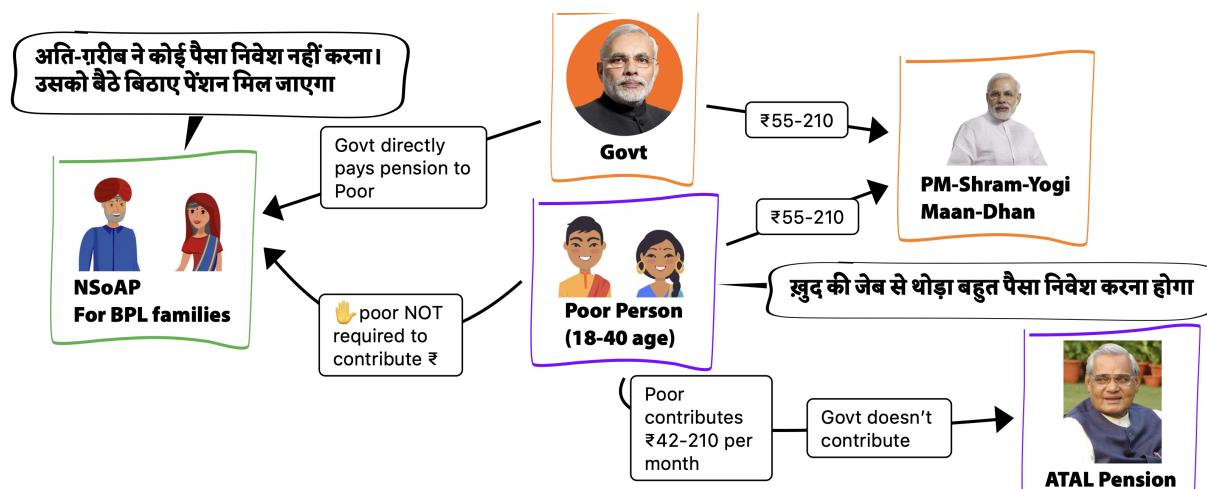
18.16 🙏→👤 PENSION FOR SENIOR CITIZENS WITH CAPACITY TO INVEST?

18.16.1 Pradhan Mantri Vaya Vandana Yojana (2017-DFS, LIC)

- ⇒ Boss- Dept of Financial Services
- ⇒ 2023-March-31st: this is the last date to join the scheme. Then registration will close.
- ⇒ Other similar schemes: Senior Citizen Savings Scheme, LIC Varistha Pension Bima Yojana but they are old schemes so poor cost: benefit in preparing for UPSC.



18.17 🚧→👤 PENSION FOR POOR PEOPLE WITH CAPACITY TO INVEST?



गरीब आदमी जो खुद की जेब से थोड़ा पैसा निवेश कर सके- उनके लिए पेंशन योजना



Atal Pension Yojana (APY)	Pradhan Mantri Shram-Yogi Maandhan
By Dept of Financial Services, 2015	By labor Ministry, 2019
Only 18-40 age Indian citizen residing in India	Income Tax-payer, NPS,EPFO,ESIC-subscribers not eligible.
No minimum or maximum income limits. Mukesh Ambani can also join, but given that fact that maximum pension is ₹5,000 a month so target-audience is poor people, unorganized workers outside EPFO security.	unorganized sector workers with monthly income upto ₹15k. E.g. street vendors, rickshaw pullers, construction workers, rag pickers, agricultural workers, beedi workers etc. in the age of 18-40
Monthly pay ₹42-210 rupees till the age of 60	Monthly invest ₹55-200 (depending on age of joining). Govt to co-contribute equal amount. Till the age of 60
₹1k-5k monthly pension- depends on @which age joined, how much contributed?	Fixed ₹3k pension per month after 60.
<ul style="list-style-type: none"> - If subscriber dies after 60, then spouse (Husband/wife) continues to receive same amt. pension. - Both Husband & Wife die → Nominee (e.g. their child) receives the entire principal (premium) back. (माँ बाप दोनों मर गये तो बच्चे को मूलधन वापस) 	If subscriber dies after 60, spouse (husband/wife) gets ₹1500pm as family pension. Both Husband & Wife die → Nominee (e.g. their child) get nothing. निवेशक-पति/पत्नी के देहांत पर उसके पत्नी/पति को आधा ही पेंशन मिले। दोनों मर गये तो बच्चे को कुछ नहीं मिलेगा।
One person-1-subscription account only. (एक व्यक्ति का सिर्फ़ एक ही खाता खुल सकता है)	Same as left cell.

Note: 1) Atal Pension Yojana 2) PM Jivan Jyoti Yojana and 3) PM Suraksha Bima Yojana are collectively known as **Pradhan Mantri Jansuraksha Schemes**.

? Find correct statement(s) regarding 'Atal Pension Yojana': (Pre'2016)

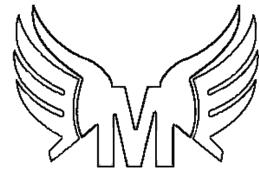
1. It is a minimum guaranteed pension scheme mainly targeted at unorganized sector workers.
2. Only one member of a family can join the scheme.
3. Same amount of pension is guaranteed for the spouse for life after subscriber's death.

Codes: (a) 1 only (b) 2 and 3 only (c) 1 and 3 only (d) 1, 2 and 3

MCQ. Find correct about PM Shram Yogi Maan-dhan (PM-SYM) Yojana (Pre'24-Set-C-Q10)

1. The entry age group for enrollment in the scheme is 21 to 40 years.
2. Age specific contribution shall be made by the beneficiary.
3. Each subscriber shall receive a min pension of 3,000 per month after attaining the age of 60.
4. Family pension is applicable to the spouse and unmarried daughters.

Codes: (a) 1,3 and 4 (b) 2 and 3 only (c) 2 only (d) 1,2 and 4



18.17.1 🧑🌾 → 🧑✋💰: 🧑 Pension: Three Maan Dhan Yojanas



18-40 Age; ₹ 55-200 fees; Pension @60=3000 → family pension ₹ 1500	LIC Fund manager + This Ministry co-contributes	Who?
1) Pradhan Mantri Shram-Yogi Maan-dhan (Feb'19)	Labour Ministry	unorganized sector workers with monthly income upto ₹15k
2) PM Laghu Vyapari Maan-dhan Yojana (Jul'19) # also known as 'NPS-Traders'	Labour Ministry	Small trader / shopkeepers whose annual turnover does not exceed Rs 1.5 crore, based on self-declaration.
3) Pradhan Mantri KISAN Maan-dhan Yojana (Aug'19)	Agri	small / marginal farmers with upto 2ht land.

- 1 person can join only 1 type of above scheme. (एक व्यक्ति का सिर्फ एक बार ही पंजीकरण होता)
 - Income Taxpayers & those who joined EPFO/ESIC are not eligible for any of these schemes.
 -  **Budget-2020:** we'll launch a Universal Pension coverage with auto enrolment for workers. It'll cover workers even when they change jobs. <update when actually done>

🚩👤FAQ: “why not merge all these schemes into one!?? Ans. Send suggestion to PM.

18.18 🤔♂→👨 PENSION FOR POOR PEOPLE WITHOUT CAPACITY TO INVEST?

NSoAP Components	UNION	STATE (Optional to give extra)
Indira Gandhi Old age pension @60	₹200-500* (depending on how old)	State Govt may give extra ₹₹ & rename it. e.g. Samajwadi Pension in UP
Indira Gandhi Widow pension Aged 40 onwards	₹300-500 (depending on how old)	State Govt may give extra ₹₹ and rename it e.g. UP Vidhva Pension @1k
Indira Gandhi Disability pension: Aged 18 onwards	Same as widow pension	State Govt may give extra ₹₹ and rename it e.g. Guj: Sant Surdas Scheme
National Family Benefit INSURANCE	Death of bread winner: ₹20,000	e.g. Guj: Sankat Mochan
Annapurna (2001)	If To BPL senior citizens not receiving old age pension then 10kg grain / pm for FREE.	N/A



- For Below Poverty Line (BPL) people, Rural Development Ministry's National Social Assistance Programme (NSoAP: राष्ट्रीय सामाजिक सहायता कार्यक्रम) in 1995, where direct money is given without asking for any premium from the beneficiary (लाभार्थी).
 - It's a core of the core scheme (अति-महत्वपूर्ण योजना) with 100% cost is paid by Union.
 - It's optional for state govt. to contribute money- They may contribute, if they want to enhance the scheme's features. (More in Pillar#2D- Schemes types)
- ⇒ 2020: ATMANIRBHAR → PM GaribKalyan → single time ₹1,000 to poor senior citizen, poor widows & poor disabled (total 3cr person covered)

18.18.1 Pension types: Defined Contribution vs Defined Benefit

Pension Type	Defined Contribution	Defined Benefit
Pension is fixed or not?	Pension depends on performance of sharemarket	Pension is fixed. Doesn't matter what happens in sharemarket.
Example	<ul style="list-style-type: none"> - NPS - Private pension companies' plans 	<ul style="list-style-type: none"> - EPS (a scheme of EPFO), - OPS, UPS - Atal Pension (APY), Sharm Yogi Maan-dhan, NSoAP

18.19 ES25'S OBSERVATIONS ON PENSION SECTOR

18.19.1 Pension sector challenges as per ES25:

- Globally, the elderly population has surpassed children.
- Growing elderly population and increasing life expectancy → pension companies must pay for more years. (बुजुर्गों की बढ़ती आबादी और जीवन प्रत्याशा)
- Pensioners save less than active workers, leading to lower national savings in countries with a larger elderly population. (नौजवान श्रमिकों की कमी से राष्ट्रीय बचत में कमी होती है, क्योंकि बुड़ा पेंशनर तो इतना पैसा बचा नहीं सकता।)
- Countries like Japan, France, and China raised retirement ages, causing worker resentment. (निवृति आयु बढ़ाने पर मजदूरों में नाराज़गी।)
- Rising inflation increases need for higher pension amount. (महँगाई का बोज)

18.19.2 Pension market not yet fully developed in India says ES25:

Nation	OECD Nations ^{^^}	India
Pension assets as a % of GDP	80%	EPFO (17%) & NPS (4.5%)

- ^{^^} Organisation for Economic Co-operation and Development (OECD) = more in pill3c.
- Out of the total number of pensioners in India- 80% are Atal Pension Yojana (APY) subscribers. APY gives hardly ₹1–5000 pension.



18.19.3 🧑‍🤝‍🧑 Micro pension scheme problems as per ES25:

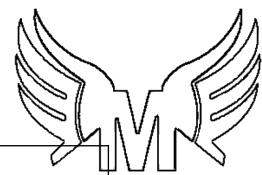
- Micro-pension schemes like Atal Pension and Shram Yogi Maan-Dhan provide small pensions to poor families.
- Poor people often prioritize immediate consumption over saving for pensions or insurance. (तुरंत उपभोग मैं पैसा खर्च कर देते हैं।)
- Consequently, 93% of Atal Pension subscribers joined the ₹1,000 plan because the ₹5,000 plan requires more contributions.
- Behavioral interventions like simplifying enrollment and providing timely reminders for renewal are needed to increase active subscribers in micro-pensions. (गरीबों के बर्ताव में सुधार के लिए क्रदम उठाने ज़रूरी।)

18.19.4 🧑‍🤝‍🧑 Britain's PAYGO schemes & demographic changes- ES25:

- Pay-As-You-Go (PAYGO) schemes = the young salaried employees bear the price of pension for the older generation.
- Here, Worker's Money is not invested in shares/bonds- unlike in EPFO/NPS. Current Worker's money is immediately/directly paid to the pensioner. (वर्तमान श्रमिक का कुछ पैसा, सीधा बुड़े पेंशन को दे देंगे। शेयर /बांड बाज़ार में निवेश नहीं करेंगे।)
- Britain and several OECD nations follow this.
- But, for such pension scheme to be sustainable:
 - (i) outflows must be adequately linked to the inflows. (= more young workers need to keep joining to pay for the retiring workers)
 - (ii) Inflow must increase with rising inflation index. ("Indexation" is the process/formula for increasing the salary & pension as per the rising inflation.)
- Otherwise, Asset-liability mismatch leads to government borrowing to pay pensions, as seen in Greece and Italy. Britain faces this in the next 2 decades.
- Globally, the number of pensioners exceeds children, reducing active workers and increasing pensioners in the future.

18.20 🧑‍🤝‍🧑 PFRDA, THE PENSION FUNDS' REGULATOR

Org	2003: Executive order to setup PFRDA- Pension Fund Regulatory and Development Authority (पेंशन निधि विनियामक एवं विकास प्राधिकरण) 2013: given statutory status. HQ: New Delhi, just like IBBI.
Structure	1 Chairman: (5years / 65age) + 5 members (5/62 age) = 6 people. Re-appointment is possible.
Function	<ul style="list-style-type: none"> ⇒ Implement National pension system (NPS), select its fund-managers. ⇒ Regulate all public and private pension funds except EPFO, Seaman, Coal miners, Assam tea plantations related pension schemes as they've their separate acts / mechanisms. ⇒ Protect Clients, Pensioners ⇒ Prescribe liquidity, auditing, investment norms for Pension funds.



	<p>⇒ Powers of civil court. (दीवानी अदालत की सत्ता/अधिकार दिए गये हैं)</p> <p>⇒ financial awareness generation through pensionsanchay.org.in</p> <p>⇒ Pension FDI is linked with insurance FDI (49%) so not decided by PFRDA.</p>
Website	pensionsanchay.org.in = for awreness generation around pension and retirement.

18.21 SOCIAL SECURITY FOR OVERSEAS INDIANS (PENSION / INSURANCE)



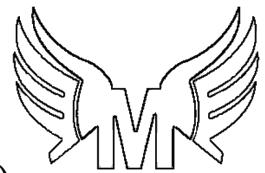
18.21.1 Pravasi Bharatiya Bima Yojana, 2017

Some nations do not have strict laws regulating the entry, employment or safety of foreign workers. So, the Indian Government classifies them under **Emigration Check Required (ECR: उत्प्रवास जांच की आवश्यकता)** countries. e.g. Saudi, Qatar, UAE, Libya, Malaysia, etc.

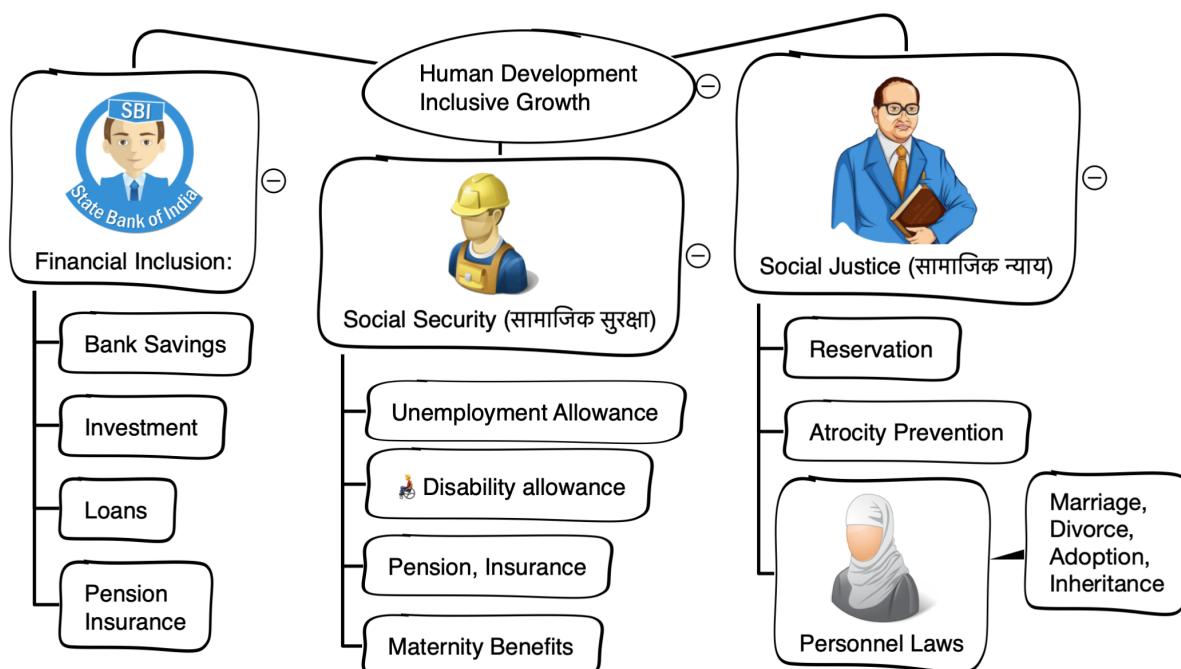
- ✓ It's compulsory for Indian workers going ECR nations to join Pravasi Bharatiya Bima Yojana. (ईसीआर देशों में जाने वाली प्रवासी भारतीय मज़दुरों के लिए ये ख़रीदना अनिवार्य है)
- ✓ Insurance cover of Rs. 10 lakhs if accidental death/permanent disability while abroad,
- ✓ Maternity expenses (प्रसूति खर्च) cover for women worker, Family Hospitalization etc.
- ✓ Scheme **boss?** Ministry of External Affairs (विदेश मंत्रालय)

18.21.2 Pension: Totalisation pact- India-USA negotiation

- If an NRI Indian person works in the USA, the US government deducts pension/social security contributions from their salary.
- However, upon returning to India, they face difficulties receiving the pension from the USA. (जिस NRI ने अमरीका में पेंशन योजना का पैसा कटवाया है, उसे भारत घर वापसी के बाद वो पेंशन लेने में दिक्कत आती है)
- The totalization pact can solve this issue, but negotiations are ongoing.
- This one liner information is enough. Further PhD <https://youtu.be/UwIUf7p-X0o?t=1056>



19 (₹₹₹) → 1D3: FINANCIAL INCLUSION (वित्तीय समोवेशन)



- ⇒ **Financial Inclusion:** providing access to banking, investment, pension, insurance and credit (loan) facilities to each citizen. This ensures social, economic and transaction security (लेनदेन में सुरक्षा) (S-E-T), improves social harmony, women empowerment, helps reaping the benefit of “LESS CASH Economy” (Ref: Handout#1A1) सभी नागरिकों को बैंकिंग, निवेश, पेंशन, बीमा और ऋण की सेवा प्रदान करना= उसे वित्तीय समोवेशन कहते हैं
- ⇒ **Social Security (सामाजिक सुरक्षा):** a system of payments / assistance by the government to citizens who are ill, handicapped, poor, aged or unemployed. (बीमार, विकलांग, गरीब, वृद्ध या बेरोजगार को आर्थिक मदद करना)
- The foundation of SS in our constitution @DPSP Article 41- State to provide public assistance to its citizens in case of unemployment, old age, sickness and disablement; and
 - DPSP Article 42- The State shall make provision for securing just and humane conditions of work and for maternity relief. (राजनीतिक पथदर्शक सिद्धांतों में जिक्र)
- ⇒ **Social Justice (सामाजिक न्याय):** distribution of wealth, opportunities, and privileges within a society- through reservation in jobs, admissions and election and through legal safeguards for protection of civil rights, prevention of atrocity and personnel laws. (समाज के विभिन्न जाती/वर्गों में आरक्षण चुनाव तथा कानूनन अधिकारों द्वारा संपत्ति, अवसरों और विशेषाधिकारों का वितरण= उसे समाजिक न्याय कहते हैं)
- ⇒ Collectively, these three (FI,SS,SJ) help in human development, inclusive economic growth and Sustainable Development Goals (SDG). (More in Pillar#6) [कुल मिलाकर वित्तीय समावेशन, सामाजिक सुरक्षा और सामाजिक न्याय इन तीनों की मदद से मानव-विकास, समावेशी आर्थिक वृद्धि, और सतत विकास लक्ष्यों को हाँसिल करने में हमें मदद होगी]



19.11 (����:₹) → FIN. INCLUSION: BANK ACCOUNTS FOR EVERYONE

- ⇒ Nationalization of Banks (1955, '69, '80) → 1961: DICGC Act → 1966 Cooperative Banks under RBI's Ambit → 1969 Lead Bank Scheme (SCB:Pvt or Public) given lead role in district. They prepared credit plan with 'Service Area Approach', and coordinate with the efforts of Government, banks and NBFCs.
- ⇒ 1971: State level Bankers' Committee to monitor progress of financial inclusion
- ⇒ 1976: Regional Rural Bank (RRB) setup through Act. (क्षेत्रीय ग्रामीण बैंकों की स्थापना)
- ⇒ Further, RBI requires commercial banks to setup atleast 25% of their branches in unbanked rural areas. Similar norms for White label ATM Companies. (एक चौथाई शाखाएं गाँव में खोली होगी)
- ⇒ 2005: RBI permitted no-frills savings account with no penalties on zero balance
- ⇒ 2006: RBI permitted Banking Business Correspondent Agents (BCA)
- ⇒ 2011: Government's Swabhiman to increase banking presence in rural area.
- ⇒ 2013: e-KYC permitted.e.g. write Aadhar number, put fingerprint in biometric reading device, no photocopies/xerox required. (कागजी नकल जमा करने की ज़रूरत नहीं, ऑनलाइन प्रमाणीकरण)
- ⇒ 2014: JanDhan Yojana, new Private Commercial Banks (Bandhan, IDFC First)
- ⇒ 2015: Small Finance Banks and Payment Banks.(लघु वित्‌बैंक और भुगतान बैंक की स्थापना)
- ⇒ 2017-18: India Post Payment Bank(More in Pillar#1B1)

MCQ. Service Area Approach was implemented under the purview of (UPSC Prelims-2019)

- (a) Integrated Rural Development Programme (b) Lead Bank Scheme
 (c) Mahatma Gandhi National Rural Employment Guarantee Scheme
 (d) National Skill Development Mission

19.11.1 (����:₹) → Pradhan Mantri Jan Dhan Yojana (PMJDY: प्रधान मंत्री जन धन योजना)



- ⇒ 2014: launched by FinMin → Dept of Financial Services with
- ⇒ Motto "Meraa Khaataa, Bhagya Vidhaataa". Scheme in two phases, 6 objectives:

PM JDY – phase I (2014-15) प्रथम चरण में	PM JDY – phase II (2015-18) द्वितीय चरण
<ol style="list-style-type: none"> 1. Financial literacy (वित्तीय साक्षरता) 2. Banking within 5 kms 3. Account for every family with overdraft, with Rupay ATM-cum-DEBIT Card 	<ol style="list-style-type: none"> 1. Credit Guarantee Fund (For Overdraft defaults) उधर से बैंक के नुकसान की भरपाई 2. Direct Benefit Transfer (DBT) 3. Sell Micro insurance & pension products through bank.



- ⇒ PM-JDY bank account can be opened in any Commercial or Cooperative Bank provided that (1) bank has CBS (2) bank is tied with Rupay Payment Gateway. (अब किसी वाणिज्यिक या सहकारी बैंक में खाता खोल सकते हैं।)
- ⇒ Basic Savings Bank Deposit Account - Age 10/>>; Zero balance- no penalty. But, Chequebook only with “balance”; (नाबालिंगों के भी खाते खोले जा सकते हैं। बिना एक रुपया बचत जमा किए भी खाता खोल सकते हैं।)
- ⇒ There are restrictions on max. number of money withdrawals per month. (पैसे निकालने पर कुछ सीमाएं)
- ⇒ Overdraft upto ₹ 10k (originally ₹5k) depending on balance history of min. 6 months. Overdraft given on only one account holder in household (preferably woman).
- ⇒ Overdraft Money has to be returned with interest within 3 years. Banks to decide the loan interest rate. (ओवरड्राफ्ट में दिया पैसा ब्याज के साथ वापस करना होगा। ओवरड्राफ्ट कोई दान-खैरात नहि है।)
- ⇒ EVERY Jan Dhan account comes with FREE Accident Insurance of ₹1 lakh; Premium paid by NPCi, it's therefore necessary to regularly use card- atleast for checking balance. Union Government employees, and income tax payers not eligible for this free insurance. (दुर्घटना/अकस्मात् सुरक्षा बीमा भी मुफ्त में मिलता है)
- ⇒ **👑 Significance?** JAM trinity (JanDhan, Adhar, Mobile) for targeted and direct transfer of subsidies, scholarship and payments to beneficiaries. (लाभार्थी के खाते में सीधा /प्रत्यक्ष लाभ हस्तांतरण)
- ⇒ **🤔 Criticism?** PM-JDY accounts used as money mules during demonetization.
- ⇒ **2020:** ATMANIRBHAR → PM GaribKalyan → ₹500 per month to 20 crore women Jan Dhan accounts for 3 months. (कोरोना में महिलाओं के जन धन बैंक खातों में 3 महीनों के लिए थोड़ी-थोड़ी रकम जमा की)
- ⇒ **2023:** Total money deposited in PM-JDY crosses ₹2 trillion.

19.11.2 Jan Dhan Darshak App (2018)

Jointly developed by Department of Financial Services (DFS) & National Informatics Centre (NIC). It helps people find the nearby financial touch points such as Bank branches, ATMs, Post Offices etc.

AB CD ? PM Jan-Dhan Yojana' has been launched for: (Pre'2015) (a) providing housing loan to poor people at cheaper interest rates (b) promoting women's Self-Help Groups in backward areas (c) promoting financial inclusion (d) providing financial help to the marginalized communities

19.12 () → FIN INCLUSION: INVESTMENTS OTHER THAN BANK

What if poor / lower middle-class person wants better returns than bank deposit? He may opt for...

Act	Small Savings Schemes: लघु बचत योजनाएं
Govt Savings Bank Act 1873 →	Post Office saving schemes
Govt Savings Bank Act 1873 →	Senior Citizen Savings (2004)
Government Savings Certi Act '59 →	National Savings Scheme (NSC)'59
Government Savings Certi Act '59 →	Kisan Vikas Patra 1988-11, 2014
PPF Act 1968 →	Public Provident Fund (PPF)
No Act →	Sukanya Samridhi Yojana '2015

- Individual eligibility, upper-lower limits etc. poor cost: benefit...except Sukanya Samridhi.



- Money (usually) goes into National Small Savings Fund (NSSF) → loans to Union and (selected States), with technical norms which not imp for us.
- Here, interest rates are decided by FinMin's Dept of Economic Affairs on quarterly basis. (वित्त मंत्रालय का आर्थिक मामलों का विभाग इन योजनाओं की ब्याज दर तय करता है हर 3-3 महीने पर)

19.12.1 💰🟡 Small Savings: Mahila Samman Bachat Patra (2023)

It is a new small savings certificate scheme announced in the 📚 Budget-2023.

Tenure	Two-year period up to 2025-Mar
Max. Deposit	upto ₹2 lakh per girl/woman
Interest	7.5%

19.12.2 💰🟡 Small Savings: Senior Citizen Savings Scheme limits hiked

Matter	Before	After 📚 Budget-2023
How much money can be deposited in an account?	Upto ₹15 lakhs	Upto ₹30 lakhs

19.12.3 (👶:\$) → (👶:💻) Sukanya Samridhi Yojana (2015)



- Parents open a (fixed deposit type) bank account in the name of a 0-10 years girl child, and deposit annually ₹ 250 to ₹ 1.5 lakhs till she reaches age of 14.
- FinMin's Dept of Economic Affairs announces interest rate (originally 9.1%, presently ~8.5%)
- Money (principal and interest) can be withdrawn @ the age of 18-21 depending on whether married or not. So, it indirectly prevents child marriages & empowers the grown-up daughter with money to pursue higher education, small business etc.
- 1 daughter = ONLY 1 account can be opened in this scheme. (एक बेटी के नाम पर सिर्फ एक)
- Maximum two daughters can be enrolled by parents/legal guardians.

19.12.4 ⭐📘👩👩👧👧👧👧👧👧 Five Star Village scheme by Dept of Post (2020)

गाँव वालों को विविध लघु बचत योजना और बीमा योजनाओं से जोड़ने की डाक विभाग की कोशिश

- ⇒ by Ministry of Communications Department of Post (संचार मंत्रालय → डाक विभाग)
- ⇒ Post offices will spread more awareness, enrol more villagers in the following schemes:
- ⇒ Small saving schemes such as Post office Savings Bank accounts, National small savings certificate Kisan Vikas Patra, Sukanya Samridhi Accounts, public provident fund (PPF)
- ⇒ Insurance schemes such as Rural Postal Life Insurance Policy, Pradhan Mantri Suraksha Bima Yojana Account, Pradhan Mantri Jeevan Jyoti Bima Yojana Account.



19.12.5 🍖💀👉👩👩👩👩👩👩👩 Model Insurance Villages (MIV) proposal by IRDAI (2021)

- ⇒ by Ministry of Communications Department of Post (संचार मंत्रालय → डाक विभाग)
- ⇒ In every district, atleast 1 village identified → In that village, cover all households with a minimum of one RPLI (Rural Postal Life Insurance) policy. (गांव के हर परिवार को कम से कम एक ग्रामीण डाक बीमा पॉलिसी देची जाए)

19.12.6 🍖💀👉👩👩👩👩👩👩👩 Model Insurance Villages (MIV) proposal by IRDAI (2021)

- Insurance Regulatory and Development Authority of India (IRDAI) proposed this
- To give complete insurance coverage to a village for its people's life insurance, health insurance, farm/crop insurance, animal (livestock) insurance, tractor/vehicle insurance etc.
- Funding/Subsidy by Union, State, Companies CSR Funds, NABARD & other AIFIs.
- (गाँववालों के लिए में सभी प्रकार के जीवन बीमा, सामान्य बीमा पॉलिसी उपलब्ध हो, ताकि वह एक आदर्श बीमा ग्राम बन जाए। ऐसी बीमा पॉलिसी खरीदने के लिए सरकार तथा अन्य संस्थानों द्वारा गांव वालों को सब्सिडी/रियायत दी जाए)

19.12.7 (👨🌾🔧:\$)→ 📈 Chit Funds

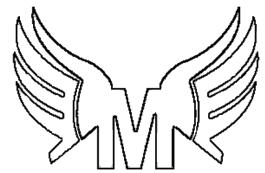
- ⇒ Scam and its subsequent judgements = too outdated for 2023-24. So deleting it for #Prelims- RAFTAAR-🚫
- ⇒ Sufficient to know: Chit fund is a collective investment scheme.
- ⇒ Members contribute small, small amount of money, every month. And members are given loan from this fund. (सदस्य उसमें छोटी छोटी रकम जमा करते हैं और फिर सदस्यों को उसी में से लोन दिया जाता है)
- ⇒ Chit fund is a type of "contract" = subject to Concurrent list. So, both Union and State govt have laws for it. (समवर्ती सूची में होने के कारण केंद्र और राज्य दोनों इस पर कानून बनाते हैं लेकिन ढंग से निगरानी कोई कर नहीं पाता)
- ⇒ Scams happened due to lack of proper supervision / nexus with politicians. (इसलिए कांड होते रहते हैं)

19.12.8 ⚖️📦😭 Banning of Unregulated Deposit Schemes Act, 2019

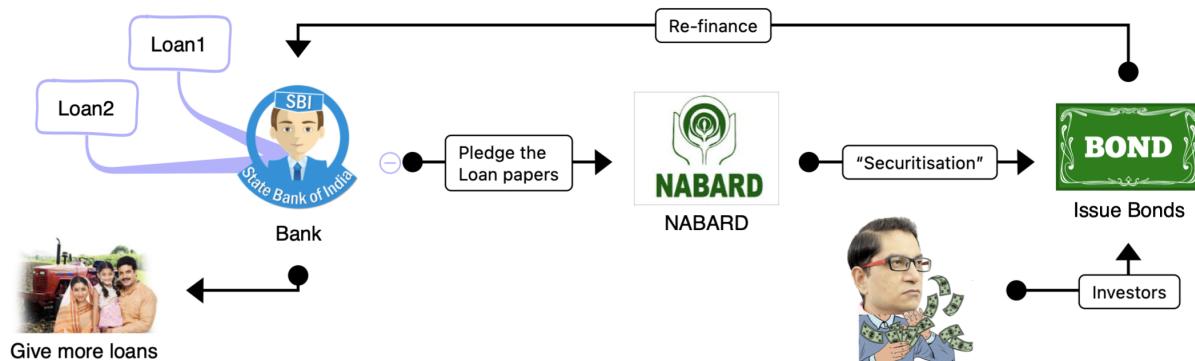
- अनियमित जमा योजनाओं पर प्रतिबंध कानून
- If an entity is soliciting public to deposit /invest money, then it could be regulated by RBI (Bank, NBFC-D, Home loan NBFCs etc), SEBI (MF, ReITs, InvITs etc), IRDAI & PFRDA, Corporate Affairs ministry (NIDHI), State Governments (chit fund), EPFO, etc.
- A deposit-taking scheme is defined as 'unregulated' if person is asking people to deposit/invest money but he has not registered with any of the above organizations. E.g. builders, jewellers, etc. Act prohibits advertisement & money collection in it. (ऐसी कोई भी बचत योजना जो किसी भी वित्तीय नियंत्रक के द्वारे में नहीं आती उसे गैरकानूनी माना जाएगा)
- Penalty upto ₹50 crores and jailtime upto 10 years + attaching the assets to refund depositors within prescribed timelines. (जुर्माना, कारावास, संपत्ति की जब्ती)
- Union to setup an online central database of deposit-taking activities in the country.

19.13 👨🌾🔧←(\$Knife) FINANCIAL INCLUSION: CREDIT (LOANS: ோଣ)

Self Study? Pillar#1A2: Monetary Policy → PSL. Pillar#1B1: Classification → microfinance



19.13.1 (Knife, Paper, Scissors) → Refinance (पुनर्वित्त)



- When an AIFI (or MUDRA) gives new finance to Banks/NBFCs based on the quantum of finance they (Bank/NBFC) have already given to end-borrowers.
- Usually works via **securitization** of the previous loan papers.

19.13.2 🚧 Credit Guarantee (ऋण अदायगी गारंटी)

- Credit Guarantee Meaning? if borrower defaults, then losses of banks/NBFCs will be covered by credit guarantor. So, Bank/NBFC can lend confidently without requiring borrower to pledge collaterals.
- Earlier DICGC used to give credit guarantee, but now this work is done other organizations.

19.13.3 🔪 Financial inclusion: Credit Guarantee various orgs.

Organization	Credit Guarantee Fund	Loans covered
SIDBI + Govt	Credit Guarantee fund trust for Micro & Small Enterprise (CGTMSE)	Loans to Micro & Small Enterprise
Dept. of Financial Services	National Credit Guarantee Trustee Company (NCGTC)	<ul style="list-style-type: none"> Mudra, ECLGS, Stand up India, Skill & Education loans. Education loan upto Rs.7.50 lakhs is backed by this org.
NCGTC	Credit Guarantee Scheme for MFIs (CGSMFI) (2021)	<ul style="list-style-type: none"> Loans given by Microfinance institutions to poor people.
NCGTC	Credit Guarantee Fund Scheme for Skill Development (CGFSSD)	<ul style="list-style-type: none"> Loans for skill development.
Commerce Ministry	Export Credit Guarantee Corporation of India fund (ECGC)	Exporters

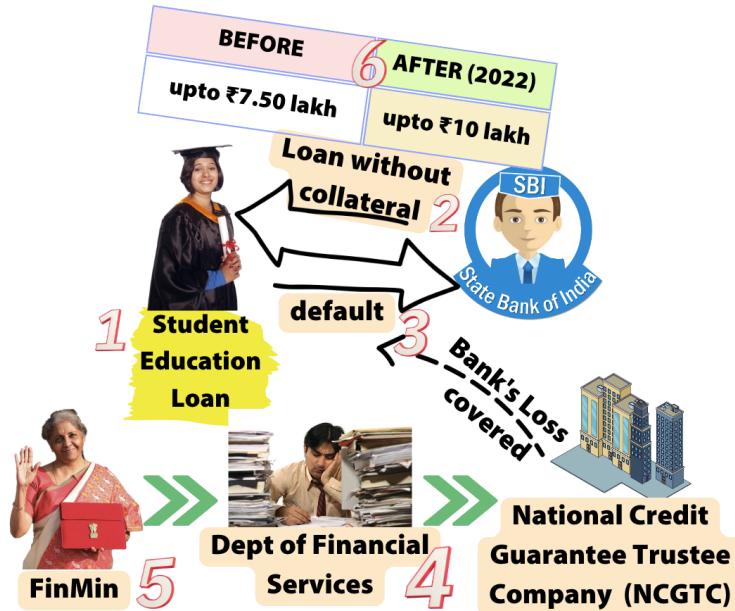
19.13.4 🔪 Credit guarantee cover increased in ₹ Budget-2025:

Beneficiary	Before	After
Micro and Small Enterprises	₹5 cr	₹10 cr
Startups	₹10 cr	₹20 cr



Beneficiary	Before	After
Well-run exporter MSMEs	Nothing / Unknown	₹20 cr

19.13.5 ✎ Financial inclusion: Credit Guarantee Fund for Education Loans (CGFEL)



19.13.6 🧑🏭 MSME: Definition changed in ATMANIRBHAR (2020)

- 2006: Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 gave definition of micro, small and medium enterprises. It was later changed in 2020 and 2025.

2006 definition	Micro	Small	Medium
Mfg.	Investment < 25 Lakh	Investment < 5 cr	Investment < 10 cr
Services	Investment < 10 L	Investment < 2 cr	Investment < 5 cr
2020	2020-Atma Nirbhar Reform ↗		
Mfg & Services Both	Investment < 1cr & Turnover < 5cr	Investment < 10cr & Turnover < 50cr	Investment < 50cr & Turnover < 250cr
2025	Budget-2025: Reform ↗		
Mfg & Services Both	Investment < 2.5 cr & Turnover < 10cr	Investment < 25 & Turnover < 100cr	Investment < 125cr & Turnover < 500cr

in above image, read "<" sign as "NOT MORE THAN (से अधिक नहीं)"

Investment: निवेश annual turnover: वार्षिक कारोबार

💡FAQ: do I've to remember old definition of 2006 & 20? Ans. Yes for StatePSC exams as they don't update Question bank frequently.

MCQ. Find Correct statement(s) [Prelims'23-SET-A-Q022]

- 1) 'medium enterprises' means investments in plant and machinery between ₹15 to 25cr

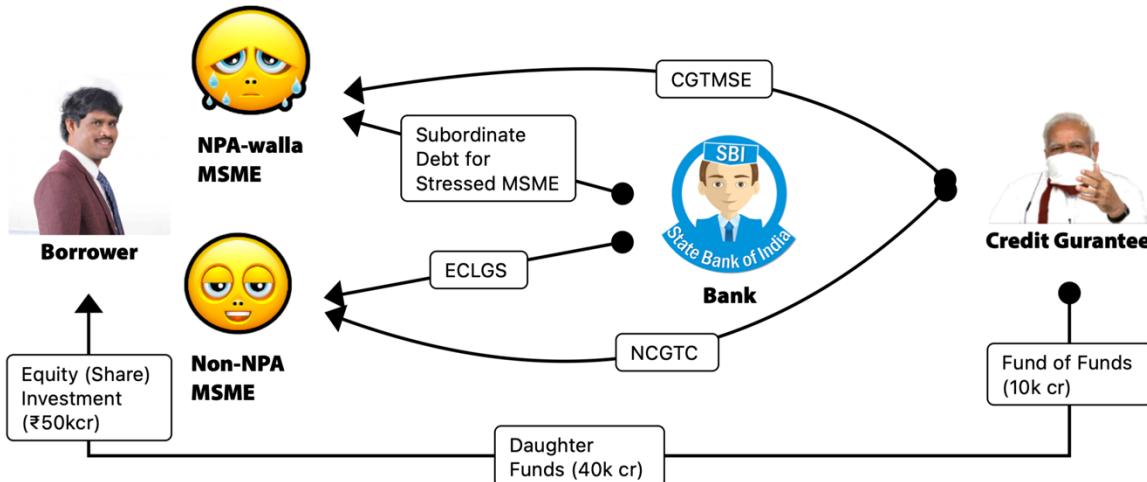


- - 2) All bank loans to the MSME qualify under the priority sector

Answer Codes: - A) only 1 - B) only 2 - C) both 1 and 2 - D) neither 1 nor 2.

There was some debate about statement, but official answerkey says B.

19.13.7 MSME Non-NPA borrower → ECLGS 1.0



⇒ Corona Lockdown → MSME business hurt → need loans to restart business → Emergency Credit Line Guarantee Scheme (ECLGS: आपातकालीन क्रेडिट लाइन गारंटी योजना).

⇒ 🙋♂️ Eligibility?

- MSME Previous outstanding loan account can't be more than ₹25 crores, and can't be an NPA. (जिनके लोन-खाते अभी एनपीए/अनर्जक परिसंपत्ति की श्रेणी में नहीं है)
 - ⇒ **New/ Extra Loan Amount?** 20% of the outstanding loan.
 - ⇒ **Loan Tenure?** 4 Years (मियादी/समयकाल)
 - ⇒ **Loan Interest?** 9.25% (Bank), 14% (NBFC).
 - ⇒ **Collateral?** Not required. (गिरवी कुछ भी नहीं रखना होगा)
 - ⇒ If the borrower doesn't repay loan principal or interest → Credit guarantee covered by NCGTC (National Credit Guarantee Trustee Company Limited), a company under the Dept of financial services in FinMin.

19.13.8 MSME Non-NPA borrower → ECLGS 2.0 (Atma-Nirbhar 3.0)

It was launched during the Atmanirbhar Bharat 3.0 package(November 2020)

 ⚖️ Eligibility? (Two conditions must be fulfilled simultaneously)

- 1) MSME as well as Non-MSME(large) firms operating in
 - (a) Healthcare sector (स्वास्थ्य क्षेत्र) OR
 - (b) 26 stressed sectors Identified by RBI is KV Kamath committee (e.g automobiles, tourism, cement, gems and jewellery etc तनावग्रस्त क्षेत्र) AND
 - 2) Its outstanding loans are > ₹50 crore - upto ₹ 500 Crore (as on 29.2.2020)

💡 Benefit?

- ✓ Extra 20% loans against outstanding loans. (कर्जा बकाया है उसके सामने 20% अतिरिक्त कर्ज दिया जाएगा)



- ✓ Interest Rate not explicitly mentioned in Press-Statement. (योजना की प्रेस विज्ञाप्ति में स्पष्ट रूप से खुलकर नहीं बताया, तो हमने खुद से गूगल सर्च मारने की कोई जरूरत नहीं है #थोड़ा-पढ़ो-आगे-बढ़ो)
- ✓ Repayment tenure of above loan: 5 years including 1 year moratorium on principal repayment. (5 साल में कर्ज चुकाना होगा और उसमें भी 1 साल तक मूलधन चुकाने पर रोक)
- กระเป๋า 💳 Budget-2022: This scheme is continued, with more funds.

19.13.9 🧨Knife, Baby, Factory MSME NPA borrower → Subordinate Debt (गौणऋण)

ऋण अदायगी गारंटी- उन आर्थिक तनावग्रस्त उधोगों के लिए जिनके लोन-खाते पहले से एनपीए श्रेणी में आ चुके हैं।

- ⇒ **Beneficiary?** MSME whose loan account is in NPA/ stressed category. लघु/
- ⇒ Such stressed MSME to be given subordinate loan Upto ₹75 lakhs to revive business.
- ⇒ **Tenure/Interest?** Not clearly mentioned.
- ⇒ If the borrower doesn't repay loan principal or interest → Credit guarantee by CGTMSE (Credit Guarantee Trust for Micro and Small enterprises, an org funded by SIDBI + Govt).

19.13.10 🧨Knife, Baby, Factory MSME → Equity infusion via Fund of Funds (निधियों की निधि)

- ⇒ Govt will set up a Fund of Funds with ₹10,000 crore.
- ⇒ This FoF will invest in daughter funds (who'll supply ₹40k cr from their funds). So, total 10k+40k=50k equity funding/infusion to MSME. (इक्विटी के रूप में कंपनी में जान फूंकना)

19.14 工厂, 刀, 钱包 BUDGET-2024: MSME LOAN ANNOUNCEMENTS

19.14.1 工厂, 刀, 钱包 MSME Faster loan approval via digital footprint 💰Budget-2024:

loan application	Before	After (2024 Reform)
MSME loan application assessment	Relied on external agencies for credit-rating/score.	In-house/internal capability built by public sector banks.
Loan approval criteria	Asset or sales of the firm.	Digital footprint of MSMEs (e.g. UPI transactions)
MSME's formal Account book/balance-sheet required?	yes	not compulsory.

19.14.2 工厂, 刀, 钱包 Budget-2024: CREDIT GUARANTEE FOR MSMEs IN THE MFG SECTOR



Note: exact details yet to be announced. above is rough idea from the budget speech.

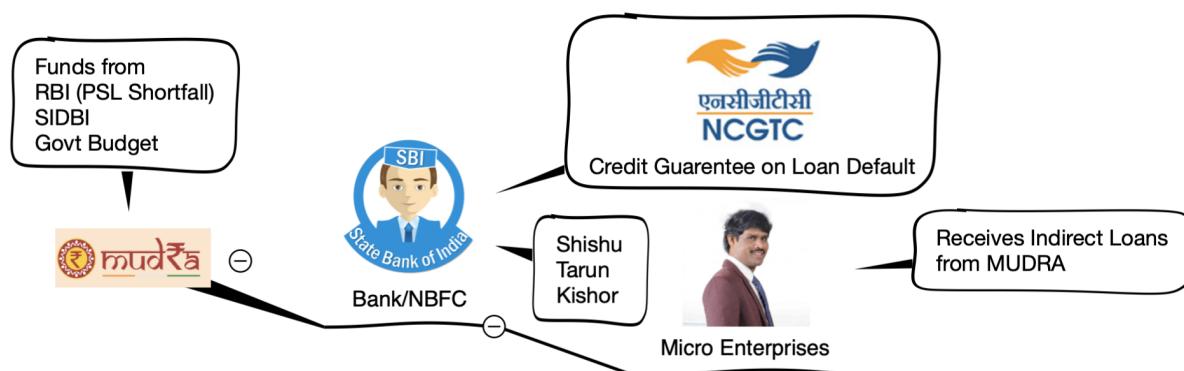


19.14.3 🏴 Interest Equalisation Scheme for MSME-exporters

- basically, government gives 2 to 3% loan interest subsidy to the MSME exporters depending on the type of product, they are exporting. (निर्यातक एमएसएमई ने बैंकों से जो कर्ज़ लिया है उसका कुछ ब्याज सरकार भरेगी।)
- Boss?** Commerce ministry → Directorate General of Foreign Trade (DGFT) → gives the funds to RBI → RBI releases to the bankers.

Note: This handout only deals with 'loan' component of MSME. For other MSME issues/challenges, refer (More in Pillar#4B → MSME)

19.15 🚫🚫NBFC → MUDRA (2015, 100% SIDBI SUBSIDIARY)



- Micro Units Development & Refinance Agency.** (सूक्ष्म इकाई विकास एवं पूनः वित्तपोषण एजेंसी)
- Objective?** provides indirect lending via SCB, RRB, Cooperative Banks, MicroFinance Inst & other NBFCs. (अनुसूचित वाणिज्य बैंक क्षेत्रीय ग्रामीण बैंक सहकारी बैंक गैर बैंक वित्तीय कंपनियों द्वारा परोक्ष रूप से कर्ज देता है)
- Ownership?** It's wholly owned by SIDBI, and also receives the funding from PSL-shortfalls via RBI, and budgetary support via Department of Financial Services.
- Beneficiary?** Micro Enterprises from Agri-allied sectors, mfg & service sector who are not registered under the companies act = Non-corporate type. (जिन्होंने कंपनी कानून में पंजीकरण नहीं करवाया)

Table 1: Mudra-Products:

Pradhan Mantri MUDRA Yojana	MUDRA Rupay Card
1) Shishu : loans upto 50,000/- 2) Kishor : >50,000/- upto 5 lakh 3) Tarun : > 5 lakh and upto 10 lakhs (later ↑ to 20 lakh in  <ul style="list-style-type: none"> ^^ this 20 lakh facility is for those borrowers who repaid previous Tarun loans successfully. Mudra loans are collateral-free (जमानत से मुक्त). If borrower defaults on loan, then lender's losses are covered through Credit Guarantee Fund for Micro Units [CGFMU] which is operated by National Credit Guarantee Trustee Company Ltd. [NCGTC, 2016]- which is a private ltd company by Dept of Financial Services in Finance Ministry. 	



- 🤔 MUDRA Challenges? (1) Loan Interests are high (2) Rising NPA/Bad loans.

AB CD ? MCQ. Pradhan Mantri MUDRA Yojana is aimed at (Asked in UPSC-Pre-2016)

- a) bringing the small entrepreneurs into formal financial system
- b) providing loans to poor farmers for cultivating particular crops.
- c) providing pensions to old and destitute persons.
- d) funding the voluntary orgs involved in skill development and employment generation.

AB CD MCQ. Find wrong for PM Mudra Yojana (PMMY)? (CAPF-2024_SetA_Q105)

- (a) It was launched in 2015
- (b) It grants loans of up to Rs. 15 lakhs for income generating mfg, trading and services sectors
- (c) Under this scheme only the term loan requirements can be met and not the working capital requirements
- (d) There is no insistence on collateral for the sanction of loan

Note: this is debatable MCQ because we have to find wrong & there are two wrong statements &

- Option (b) wrong: Mudra max loan ₹ 10 lakh (before 2024), ₹ 20 lakh (after Budget-2024)
- option (c) wrong. Mudra loan provides debit card for using loan money for working capital. (As per MUDRA's official website.)

19.15.1 🎨 Stand Up India Scheme, 2016 (उत्तिष्ठ भारत)

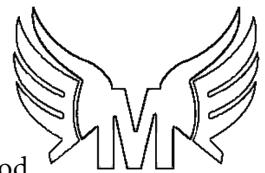
- **Boss?** FinMin's Dept of Financial Services (वित्तीय सेवा विभाग)
- **Objective?** Each SCB bank branch to give Greenfield Loans between ₹10 lakh and ₹1 Crore to at least 1 SC/ST and atleast 1 Woman entrepreneur with tenure upto 7 years.
- **Collateral?** Bank can ask collaterals. If loan without collaterals, then Credit Guarantee Fund for Standup India (CGFSI) operated by NCGTC.
- **Budget-2019:** this scheme extended till 31/3/2025.
- Margin money =is the amount of money that a bizman has to arrange by himself from his own pocket/savings for the given biz-project. Remaining amount is given as a loan by the bank.

💡 Budget-2021: 1) ⚡ margin money requirement from 25% to 15%. 2) Agri-biz also eligible.

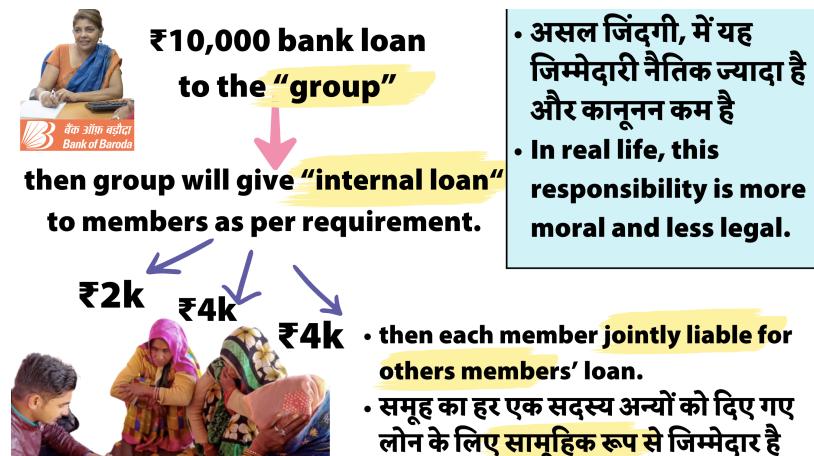
19.15.2 📈 Self-help group (स्व-सहायता समूह) → Credit



- SHG is an informal group of 10-20 local people to combine their savings/ resources, engage in biz activity like weaving, agarbatti etc अपनी बचत और संसाधनों की मदद से कुछ छोटा उत्पादन करने वाला गरीब लोगों का एक अनौपचारिक समूह
- and not registered in as a firm / company under partnership act or companies act etc.
- 1992: NABARD started SHG-Bank linkage program wherein SHG given loans without collateral.



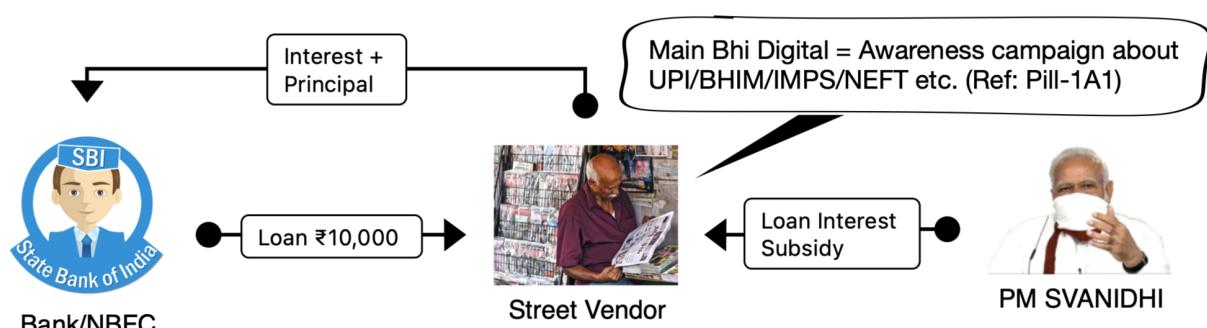
- Self-Help Groups are formed under the government schemes like National rural livelihood mission (NRLM). More in [Pillar#6]



MCQ: Find Correct [Prelims-23-SET-A-Q074]

1. The Self-Help Group (SHG) Programme was originally initiated by the State Bank of India by providing microcredit to the financial deprived people.
 2. In an SHG, all members of a group take responsibility for a loan that an individual member takes.
 3. The Regional Rural Banks and Scheduled Commercial Banks support SHGs. (क्षेत्रीय ग्रामीण बैंक और अनुसूचित वाणिज्यिक बैंक एस. एच. जी. को मदद देते हैं।)
- Codes: (a) Only one (केवल एक) (b) Only two (केवल दो) (c) All three (सभी तीन) (d) None

19.15.3 🎉 PM Street Vendors's AtmaNirbhar Nidhi Scheme (PM-SVANidhi)



- ⇒ Boss? Ministry of Housing and Urban Affairs (MoHUA)- आवास और शहरी मामलों का मंत्रालय
- ⇒ Loan Tenure: 1 year. Repayment to be done on a monthly basis.
- ⇒ Loan Interest? approx @7.25% & if vendor repays in timely fashion → govt will give 7% interest subsidy in his bank account. (फेरीवाला ने रुण अद्यायगी नियमित रूप से की तो ब्याज में सरकार राहत/सब्सिडी देगी)
- ⇒ If vendor repays the loan on time, then he can apply for more loans, as follow:

Cycle	1st cycle	2nd cycle	3rd cycle
Loan Amt	₹10,000	₹20,000	₹50,000

👉 Budget-2025: Svanidhi vendors to get ₹30,000 limit ka credit card. (How does it fit in above cycles given in above table. Ans. I don't know, govt has not clarified.)



19.15.4 😊🏭 SVANidhi → Main Bhi Digital (2021)

- ⇒ MoHUA to give ₹₹ to Urban Local Bodies (ULBs: नगरपालिका को शहरी मंत्रालय पैसा देगा)
- ⇒ To spread digital literacy among street vendors who took SVANidhi Loans e.g. How to use UPI, BHIM, Netbanking. Connect food-street vendors with online e-commerce players like Swiggy-Zomato etc to expand street-vendors' sales etc. (सड़क विक्रेताओं को डिजिटल भुगतान और डिजिटल बिक्री माध्यमों की जानकारी देना)

19.15.5 🎉😊🏭 SVANidhi → Rashtriya Udyamita Vikas Pariyojana (2024)

- Also called PM Svanidhi National Entrepreneurship Development Project.
- Boss? Ministry of Skill Development and Entrepreneurship.
- PM-Svanidhi Wall Street vendors will get 22 weeks of entrepreneurship training on how to expand their business.
- Training Mode? Offline, online, and hybrid (both online + offline).
- Trainees will get a stipend and certificate.

Training partners/org: (1) Flipkart, (2) Indian Institute of Entrepreneurship (IIE), Guwahati, (3) National Institute for Entrepreneurship and Small Business Development (NIESBUD), Noida.

19.16 💈🧵 PM VISHWAKARMA SCHEME FOR LOAN & SKILL TRAINING (2023-SEPT)



- Boss? MSME Ministry
- Beneficiaries? 18 trades, viz.(i) Carpenter (Suthar/Badhai); (ii) Boat Maker; (iii) Armourer; (iv) Blacksmith (Lohar); (v) Hammer and Tool Kit Maker; (vi) Locksmith; (vii) Goldsmith (Sonar); (viii) Potter (Kumhaar); (ix) Sculptor (Moortikar, stone carver), Stone breaker; (x) Cobbler (Charmkar)/ Shoesmith/Footwear artisan; (xi) Mason (Rajmistri); (xii) Basket/Mat/Broom Maker/Coir Weaver; (xiii) Doll & Toy Maker (Traditional); (xiv) Barber (Naai); (xv) Garland maker (Malakaar); (xvi) Washerman (Dhobi); (xvii) Tailor (Darzi); and (xviii) Fishing Net Maker.

Entitlements are as follows:

- ✓ Recognition through (A) PM Vishwakarma certificate and ID card. (B) They'll be registered as 'entrepreneurs' in Udyam Assist Portal.
- ✓ Skill Upgradation: Basic Training of 5–7 days and Advanced Training of 15 days or more, with a stipend of Rs. 500 per day;
- ✓ Toolkit purchase ke liye upto Rs. 15,000 e-vouchers at the start of Basic Skill Training.
- ✓ Govt to pay bonus/Incentive of Rs.1 per digital transaction, upto max Rs.100 per month
- ✓ Marketing Support. And Loan support (see next section 👇)



19.16.1 → PM Vishwakarma

Loan Interest on PM Vishwakarma

Collateral free 'Enterprise Development Loans' upto ₹ 3 lakhs

Matter	%
A) loan interest paid by beneficiary to banker	5%
B) interest subvention (subsidy) given by government to banker	8%
Total interest earned by banker (A+B) =	13%

👉💡 FAQ: isn't this illogical if the 5% paid by beneficiaries and 8% paid by govt? Ans. PIB not bothered to explain "why" part in the scheme document. My take is that Bankers may be charging around 13–16% or more interest rate on businessman (depending on credit rating of the customer). So if the government did not offer 8% from its pocket, then bankers will suffer losses/bankers may not pass the loan-applications very easily. That's why.



19.16.2 🧑🌾💳 Kisan Credit Card (1998)

1998: Launched by RBI +NABARD. Farmer gets credit card from PSB, RRB, State Coop Banks for:

- Can swipe it to buy farm inputs (seeds, fertilizers, pesticides etc.)
- Investment credit requirement for agriculture
- Working capital for maintenance of farm assets
- Post-harvest expenses, (फसल काटने के बाद होने वाले खर्च)
- Consumption requirements of farmer household; (घर में उपभोग हेतु खर्च)
- Can withdraw cash (as loan).
- Money to be repaid with interest. Accidental insurance also given.
- **Budget-2018:** Kisan Credit Card (KCC) extended to Animal Husbandry and Fisheries farmers. Interim-Budget-2019: they (animal/fisheries-walla) too will get the interest subvention
- **Interim-Budget-2019:** comprehensive drive with a simplified application form to get all farmers under KCC cards.

❓ MCQ. Under the Kisan Credit Card scheme, short-term credit support is given to farmers for which of the following purposes? (UPSC-Prelims-2020)

1. Working capital for maintenance of farm assets
2. Purchase of combine harvesters, tractors and mini trucks
3. Consumption requirements of farm households
4. Post-harvest expenses
5. Construction of family house and setting up of village cold storage facility



Codes: [a] 1, 2 and 5 only [b] 1, 3 and 4 only [c] 2, 3, 4 and 5 only [d] 1, 2, 3, 4 and 5

19.16.3 Farm Loans → collateral free loans quota ✅ by RBI

Matter	Before	From 1/1/2025
Agri & Allied activities (animal, dairy, fishing etc)	₹1.6 lakh	₹2 lakh

Beyond this limit, if farmer needs more loan he has to pledge land, property, gold, fixed deposit certificate (ref1A2), negotiable warehouse receipt (NWR, more in pill4A) etc. as collateral. (इससे अधिक कर्जा चाहिए तो किसान ने कुछ गिरवी रखना होगा)

19.16.4 🌾 Farmers → Modified Interest Subvention Scheme(MISS/KCC)

Farmer can apply for this loans via bank-branch and/or via Kisan credit Card (KCC)

Short-term Agri-loans	% Interest
loan interest	9%
for every farmer, Govt pays	2%.
effective interest paid by every farmer	9–2=7%
a farmer repaying loan in timely fashion, then govt pays extra	3%
effective interest paid by honest/punctual farmer	9–2–3=4%

19.16.5 🌾 Farmer → loan quota of MISS-KCC ↑ in Budget-2025:

Loan quota per farmer	Before	After 📈 Budget-2025
Farming	₹3 lakh	₹5 lakh
Allied activities- animal husbandry, dairying, and fisheries.	₹1.60 lakh	no change/not-clarified.

19.17 🌾💰🎈 FARM LOAN WAIVER (कृषि ऋण माफी)

19.17.1 🌾💰🎈 Agri-Finance → Loan waivers for the farmers

Shifted to Mains. Gist of the matter is that economic survey is opposed to loan waivers because then farmer become irregular in returning the loans, whenever the elections are near.

19.18 💳👤 FINANCIAL INCLUSION: INSURANCE & PENSION

- Various schemes are given in previous sections: But just to quickly recall the notable terms:
Insurance: Postal Life, ESIC, PM Jeevan Jyoti & Surkasha Bima (₹2 lakh), PM-JAY (₹5 lakh annual health insurance per family), PM-Fasal Bima (1.5-5% premium);
- **Pension:** EPFO, NPS, Atal Pension (1-5k), PM Shram Yogi Mandhan (3k), PM Vay-Vandana (8%@LIC), Maan-Dhan Yojanas (3k/pm)

19.18.1 💳👤 Micro Insurance (सूक्ष्म बीमा)

- ⇒ Insurance policy may be Life / General Insurance with a very low premium.
⇒ When small sum insured (upto ₹50k) & target audience is poor / villagers / farmers.

- ⇒ It may be an individual / group based insurance. Intermediaries such as NGO, SHG, MFI help in selling such policy. Policy/ Contracts are given in local language. e.g. LIC's Jeevan Madhur and Jeevan Mangal

19.18.2 🚗 🚖 Gig Workers' social security code (गिंग कर्मी की सामाजिक सुरक्षा संहिता)



- ⇒ **Informal workers** (अयथाविधि कर्मी) = doesn't have formal job contracts with employers. E.g. Domestic Maids, Brick Kiln Workers, Construction Labourers, Chowkidar, Dhaabaa cooks/waiters etc.
- ⇒ **Gig workers** (गिंग कर्मी) = Uber Taxi Drivers, Amazon/Zomato Delivery boys, Urbanclap's beauticians/ plumbers/ AC repairman, Unacademy Educators etc. They are freelancers / independent contractors (स्वतंत्र थेकेदारों) hired by startup or digital companies for short-term engagements. While they may have some written contract to deliver services to the company, but the contract is worded in such manner they are not "regular employees" of a company = not eligible for EPFO, ESIC etc.
- ⇒ 2019-Sept: Labour Ministry drafting a "social security code for all informal & gig workers". It aims to provide 'insurance on death/disability/sickness', maternity benefit, pension, scholarship for their children etc. (मृत्यु / विकलांगता / बीमारी पर बीमा, मातृत्व लाभ, पेशन, गिंग कर्मी के बच्चों को छात्रवृत्ति)

19.18.3 💰 Budget-2025: Loans, Financial inclusion, MSME, Gig-worker

Target	Announcement
Gig-workers	will get free ₹5 lakh Health insurance under PM Jan Arogya Yojana, IF they register on Labour ministry's e-Shram portal.
Farm loans under KCC/MISS	limit raised from ₹3 lakh to ₹5 lakh.
Dak Sevaks/Postmen	will focus on financial inclusion of rural India.
MSME new definition	Investment and turnover limits enhanced to 2.5 and 2 times respectively.
credit guarantee cover	Increased for the MSME and Startups
New Entrepreneurs	Scheme for First-time Entrepreneurs from women, SC & ST will be given loans up to ₹2 crore. (this is probably a new & different scheme from stand-up India, but they are yet to announce the name)
New Credit cards	PM SVANidhi vendors: credit cards with ₹30,000 limit. Micro enterprises: credit card with ₹5 lakh limit.



19.18.4 UNORGANISED WORKERS' SOCIAL SECURITY ACT, 2008

- Requires union to setup National Social Security Board under chairmanship of Labour Minister (श्रम मंत्री की अध्यक्षता में राष्ट्रीय सामाजिक सुरक्षा बोर्ड !)
- Requires the States to setup similar boards at State level- to look after the social security benefit of the unorganised sector workers. (राज्य स्तर पे भी ऐसे बोर्ड का गठन)
- require setting up set up a National Social Security Fund for unorganised sector workers with an initial allocation of Rs 1000 crore. (राष्ट्रीय सामाजिक सुरक्षा कोष)
- Similar funds at State level.
- requires the union government to enact various schemes for (a) life and disability cover; (b) health and maternity benefits; (c) old age protection for these workers. ()

Sr	Name	Description
1	Indira Gandhi National Old Age Pension Scheme	learned under NSoAP
2	National Family Benefit Scheme	learned under NSoAP
3	Janani Suraksha Yojana	BPL women given money to delivery child @hospital. (Ref: Pillar#6A for more)
4	Handloom Weavers' Comprehensive Welfare Scheme	not enough exam worthyGK
5	Handicraft Artisans' Comprehensive Welfare Scheme	not enough exam worthyGK
6	Pension to Master craft persons	not enough exam worthyGK
7	National Scheme for Welfare of Fishermen and Training and Extension	not enough exam worthyGK
8	Janshree Bima Yojana	this was merged with Aam Admi Bima Yojana in 2013
9	Aam Admi Bima Yojana	LIC + Govt of India's scheme for unorganised sector workers.
10	Rashtriya Swasthya Bima Yojana	subsumed/merged inside the PM-JAY ₹5 lakh health insurance.

▶ FAQ: Most of these schemes are low-profile / outdated / merged → then why government not updating the law with latest schemes' list? Ans. Send suggestion to PM.

MCQ. Which one of the following schemes is not a Social Security Scheme under the Unorganised Workers' Social Security Act, 2008? (EPFO-2023) (a) National Family Benefit Scheme (b) Janshree Bima Yojana (c) Employees' Pension Scheme (d) Rashtriya Swasthya Bima Yojana

19.19 FINANCIAL INCLUSION: CUSTOMER PROTECTION (ग्राहक सुरक्षा)

Bank/NBFC	Share/	Insurance (IRDAI)	Pension
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(under RBI)	commodity		
Ombudsman: Bank, NBFC, Digital Transaction (given below)	SCORES Portal → SEBI → SAT	⇒ Insurance Ombudsman via IRDAI Act '1999, hears matters upto ₹30 lakhs. If higher claim then consumer courts / other courts. ⇒ Higher appeal against IRDAI → SAT	- If EPFO- then its internal machinery - If NPS: NSDL → PFRDA. - If pvt sector pension company's scheme: PFRDA → SAT.

19.19.1 😵 RBI's 3 Ombudsman (ओमबड्समेन/ शिकायत निवारण अधिकारी/लोक प्रहरी)

- 2021-Feb: 🤖 BEFORE: RBI appointed 3 types of ombudsman for consumer complaints: (i) Banking Ombudsman Scheme (ii) NBFC Ombudsman (iii) Digital Transaction Ombudsman. 🎉 After: Integrate these 3 into a **One Nation One Ombudsman / Integrated Ombudsman Scheme** (एकीकृत शिकायत निवारण अधिकारी योजना)

19.20 🌐🦁 FINANCIAL INCLUSION: WEB PORTALS

19.20.1 💼 PaiSA Portal (2018)

Outdated for 2024-25. Deleting it.

19.20.2 🕒💻 psbloansin59minutes.com (2018)

portal by SIDBI & 5 PSBs. GST-registered MSME get loans 10L to 1 cr. Without collaterals. if loan approved then ₹1000 fees need to be paid

19.20.3 💼 Jan Samarth Portal (2022)



we want to apply for Govt loan scheme online.

- ⇒ Finance Ministry's single portal to help beneficiaries to apply for various Government loan schemes for Education Loans, Agriculture Loans, Business Activity (livelihood) Loans, etc.
- ⇒ It connects borrower with 125+ banks and NBFCs for loan application.
- ⇒ When person applies for business loan, the portal cross-checks his UIDAI-Aadhar number, income tax, GST, UDYAM (MSME registration number), CIBIL credit score etc data/scores for faster loan processing

19.20.4 💼 Portal: SARTHI (Insurance) Portal for farmers and villagers (2024)

- Boss? Agri ministry, with the help of UNDP India (United Nations Development Programme).
- Helps farmers/villagers to buy crop insurance, insurance for life/health/tractor/shop, etc.



19.20.5 📱💡 Portal: PM-SURAJ loan portal for weaker section (2024-Mar)

- Boss? Ministry of Social Justice and Empowerment
- Pradhan Mantri Samajik Utthan and Rozgar Adharit Jankalyan' (PM-SURAJ) portal
- Target? Give loans to 1 lakh entrepreneurs hailing from disadvantaged communities such as SC/ST/OBC/Nomadic tribes etc.
- The loan will be given by the Bank/NBFC. Loan interest subsidy/credit guarantee may be given by the Social Justice Ministry. Note: This is very fresh news. full details not available. Some facts may get changed later on.

19.21 📈🌐🦁 FINANCIAL INCLUSION: VARIOUS REPORTS (भारत का प्रदर्शन)

I'm not writing the ranks here because it will be very poor cost benefit memorising it for exam.

Global Microscope Report	The Economist Magazine's Economist Intelligence Unit, Accion global NGO & partners like Bill & Melinda Gates Foundation, Metlife foundation etc.
Global Findex Database	World Bank with help of Bill & Melinda Gates Foundation
Global Pension Index	Mercer CFA Institute, Canada. India's index value decreased from 45.9 in 2023 to 44 in 2024 says ES25.
Indian Govt's Financial Inclusion Index	Finance Ministry's Department of Financial Services (DFS).
RBI's Financial Inclusion Index launched in 2021	<ul style="list-style-type: none">- 3 parameters: Access, usage and quality.- Score ranges from between 0 and 100.- 0% = total pathetic. 100% = full financial inclusion.- Value ↑ from 60 (2023) to 64.2 (2024-March)
National Strategy for Financial Inclusion	By RBI

19.21.1 ✍ Mains Answer Writing ki pipudi

Questions centered around benefits of various government schemes, reforms to improve financial inclusion, arguments in favour and against the FDI in insurance sector, merits/demerits of giving farm loan waiver etc. This handout deals with only prelims. Separate course for mains.

NEXT Handout: Pillar2: Budget, Taxation