

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:440
ANSWERED ON:18.12.2009
CREDIT TO RURAL POOR
Ananth Kumar Shri

Will the Minister of FINANCE be pleased to state:

- (a) the category-wise proportion of credit extended to the rural poor households by the public financial institutions, micro financial institutions and self-help groups out of the total rural credit during the last two years and the current year;
- (b) whether there has been any decrease in the amount of the credit extended to rural poor during the last three years excluding loan waivers; and
- (c) if so, the details thereof and the reasons therefor?

Answer

MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE)

(a), (b) & (c): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (A), (B) & (C) OF LOK SABHA STARRED QUESTION NO. '440 TO BE ANSWERED ON 18TH DECEMBER, 2009 TABLED BY SHRI ANANTH KUMAR REGARDING CREDIT TO RURAL POOR.

(a), (b) & (c): Rural Planning and Credit Department of Reserve Bank of India (RBI) has reported that it does not compile separate data on total Rural Credit. However, data is available for credit to Weaker Sections, under Priority Sector Lending (PSL), which inter-alia includes Small and Marginal farmers, Artisans, Village and Cottage industries, beneficiaries of Swarnjayanti Gram Swarozgar Yojana (SGSY), Scheduled Castes and Scheduled Tribes, beneficiaries of Differential Rate of Interest (DRI) scheme.

Data available from RBI for credit outstanding to Weaker Section under PSL of Public Sector Banks (PSBs) is indicated below:

Credit outstanding to Weaker Section as on last
reporting Friday of March (Rs. Crore)

2007 2008 2009

PSBs 94284.88 126934.80 166843.00

Similarly, data available from NABARD for credit disbursed to Weaker Section under PSL of Regional Rural Banks (RRBs), by Micro Finance Institutions and by Self-Help Groups, is indicated below:

Total credit disbursed to Weaker Section (Rs Crore)

2006-07 2007-08 2008-09

RRBs 4,867.73 5,265.92 6,629.32

Micro Finance institutions 1,151.56 1,970.15 3,732.33

Self Help Groups 6,570.39 8,849.26 12,253.51

Both the sets of data available above show an increasing trend.