

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1367
ANSWERED ON:27.11.2009
CREDIT TO WOMEN ENTREPRENEURS
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Will the Minister of FINANCE be pleased to state:

- (a) the efforts taken by the Government to bring 50 percent of rural women under the credit facility extended by Public Sector Banks (PSBs) by linking them through SHGs.
- (b) whether some of the nationalized banks have failed to achieve the target of earmarking 5 percent of their net credit to women entrepreneurs in 2009; and
- (c) if so, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI S.S. PALANIMANICKAM)

(a): As per Budget Announcement, 2009-10, at least 50% of all rural women are to be enrolled as members of Self Help Groups (SHGs) over next 5 years. These SHGs have to be linked to banks.

For the year 2009-10, National Bank for Agriculture and Rural Development (NABARD) has set a target of credit linkage of about 9 lakh exclusively women SHGs.

Further, NABARD has estimated that about 9.2 crore households are likely to be linked by 2015 which would ensure coverage of 50% of all rural women.

(b) & (c): RBI has advised Public Sector Banks (PSBs) in 2001 to earmark 5% of their Net Bank Credit for lending to women within 3 years. As on 31-03-2009, the total amount of credit outstanding of PSBs to women was Rs. 1,08,469 crore which is 6.29 percent of their total Adjusted Net Bank Credit (ANBC).

As per report of RBI, as on March 2009, 25 out of 27 PSBs have achieved the target. The remaining 2 banks, namely, State Bank of Patiala and IDBI Bank Ltd. have been advised by RBI to ensure achievement of the target. These banks have reported to RBI that all efforts are being made to achieve the targets.