

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1483
ANSWERED ON:27.11.2009
LOANS TO TRIBALS
Rathwa Shri Ramsinhbhai Patalbhai

Will the Minister of FINANCE be pleased to state:

- (a) whether the Public Sector Banks (PSBs) have fixed any target for the disbursement of loans to the tribal people of the country during the last three years;
- (b) if so, the details thereof along with outstanding loans to tribals. State-wise; and
- (c) the steps taken by the Government to ensure that said target is achieved?

Answer

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

(a) & (b): No, Sir. However, Scheduled Caste/Scheduled Tribes (SC/ST) form one of the constituents of the Weaker Section under Priority Sector. As per extant guidelines of Reserve Bank of India (RBI) on Lending to Priority Sector, Public Sector Banks (PSBs) are required to lend at least 10% of their Adjusted Net Bank Credit (ANBC) to the Weaker Sections.

The RBI does not collate data separately on credit facility provided to STs. However, State-wise details of loans outstanding of PSBs to SC/ST as on last reporting Friday of March, 2008, latest available, are at Annexure.

(c): In order to ensure that a fair percentage of bank loans is disbursed to SC/ST, the RBI has advised the banks on the following:

To help the poor illiterate borrowers in filling up the forms and completing the other formalities;

Not to insist on deposits while considering loan applications under Government sponsored poverty alleviation/ self employment scheme;

To contact illiterate borrowers and explain to them the salient features of the schemes;

To provide all necessary institutional support to the National SC/ST Finance and Development Corporation;

The rejection of applications should be done at higher level and reasons for rejections should be clearly indicated on the application form;

To set up training institute in the lines of Rural Development and Self Employment Training Institute (RUDSETI) jointly with the State Government (Sensitization programmes are being conducted by banks to train the SC/ST beneficiaries).