

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2698  
ANSWERED ON:11.03.2011  
CONCESSIONAL LOANS TO DISABLED PEOPLE  
Nirupam Shri Sanjay Brijkishorilal

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government is taking steps to ensure that all Commercial Banks, Regional Rural Banks(RRBs) and Cooperative Banks should provide loans to disabled people on concessional rates for undertaking self-employment ventures;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor and the steps taken by the Government in this direction?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a), (b) and (c) : With effect from 18th October, 1994, the Reserve Bank of India (RBI) has deregulated the interest rates on advances including advances under Priority Sector by all Scheduled Commercial Banks including Public and Private Sector Banks. The Banks determine these rates themselves with the approval of their Board. With a view to enhance transparency in lending rates, the Banks are required to adopt Base Rate System introduced by RBI with effect from 1st July, 2010. The actual lending rate charged by banks includes the Base Rate and other customer specific charges as considered appropriate.

However, under Differential Rate of Interest (DRI) Scheme the Public and Private Sector Banks are required to provide loans at concessional rate of interest at 4 % per annum to the borrower who fulfils the eligibility criteria stipulated under the scheme.