

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1598

ANSWERED ON:13.12.2013

LOAN POLICY TO POOR

Agarwal Shri Jai Prakash;Lal Shri Kirodi ;Shankar Alias Kushal Tiwari Shri Bhisma

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has any policy with regard to sanction of loans given to people from the weaker sections, unemployed youths, SCs/STs etc.;
- (b) if so, the details thereof;
- (c) whether the public sector banks provide any concession for the loans given to people from weaker sections of the society including SCs/ STs and widows;
- (d) if so, the details thereof;
- (e) whether the Government has any proposal to set up national banks exclusively for SCs and STs; and
- (f) if so, the details thereof alongwith the steps taken by the Government in this regard?

Answer

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

(a) to (d): As per extant guidelines of Reserve Bank of India (RBI) on Priority Sector Lending (PSL), all Scheduled Commercial Banks (SCBs) including Public & Private Sector Banks are required to earmark 10% of Adjusted Net Bank Credit (ANBC) or Credit Equivalent amount of Off-Balance Sheet Exposure, whichever is higher, for Weaker Sections, which inter- alia, include Scheduled Castes (SCs) & Scheduled Tribes (STs) and loans to individual women beneficiaries upto Rs.50,000 per borrower.

Indian Banks' Association (IBA) has advised all member banks to provide at least 0.50% concession in interest rates on education loans to girl students under its Model Educational Loan Scheme for pursuing higher education in India and abroad.

(e) & (f): There is no proposal, at present, with the Government to set up national banks exclusively for SCs and STs.