

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:609

ANSWERED ON:08.05.2015

BANK LOAN

Kishore Shri Kaushal;Kumar Dr. Virendra

Will the Minister of FINANCE be pleased to state:

- (a) the details of loan disbursed by the Public Sector Banks (PSBs) to different sectors including agriculture, housing and industrial sectors ;
- (b) whether the Government provides any subsidy to the above said sectors;
- (c) whether the Government has laid down separate rules for recovery of loans from different sectors; and
- (d) if so, the details thereof along with the steps taken/being taken by the Government in this regard?

Answer

FINANCE MINISTER (SHRI ARUN JAITLEY)

(a) to (d) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO.609 FOR ANSWER ON 8TH MAY, 2015 REGARDING BANK LOAN TABLED BY SHRI KAUSHAL KISHORE AND DR. VIRENDRA KUMAR

(a): The total outstanding gross bank credit of Public Sector Banks stood at Rs.46.5 lakh crores as on 20th March 2015. Of that the outstanding loans to various sectors including agriculture & allied activities, industries and housing sector as on 20/03/2015 (provisional) are as under:

(Rs. in lakh crore)	
Item	20/03/2015
1. Agriculture & Allied Activities	6.48
2. Industry (Micro & Small, Medium and Large)	21.32
3. Housing (Including Priority Sector Housing)	4.30
4. Services	10.07

Source: RBI

(b): Interest subvention of 2 % to Public Sector Banks, Regional Rural Banks and Cooperative Banks in respect of short term crop credit up to 3.00 lakh is provided by Government for the benefit of farmers. Besides this, a 3% incentive is provided for prompt repayment of loan. Other Ministries also provide subsidy under various schemes of their sector such as MSME, Textile etc. administered by them.

(c) and (d): Reserve Bank of India (RBI) and Government has taken several legal and procedural steps towards better recovery of loans from different sectors and for improvement in asset quality of banks. Banks have been instructed to have a Board approved loan recovery policy and take recourse to legal mechanisms like SARFAESI Act, 2002, Debt Recovery Tribunals and Lok Adalats apart from information sharing and systems of early detection of distress for which RBI has issued guidelines on 30th January, 2014.