

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 1692**  
ANSWERED ON TUESDAY, 10 DECEMBER 2024/ 19 AGRAHAYANA, 1946 (SAKA)  
**Obstacles in obtaining loans in rural areas**

1692. Shri Iranna Kadadi:

Will the Minister of FINANCE be pleased to state:

- a) whether Government is aware of the difficulties being faced by the people, particularly in the rural areas in getting loans under major schemes;
- (b) if so, the details thereof along with the steps taken by Government to resolve the said issues;
- (c) the number of applications received, sanctioned and rejected under each of the major credit/loan schemes particularly in the rural areas during the last three years; and
- (d) whether Government has conducted any study or survey to identify any particular procedural issues and other reasons, which causes reluctance of banks in providing loans under the said schemes?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a) and (b) In order to overcome the challenges faced by borrowers, particularly in rural areas and to facilitate easy flow of credit to cater the needs of population, Government has taken various measures which *inter-alia* includes:

- Launch of various credit linked schemes such as Agricultural Infra Fund (AIF), Animal Husbandry Infrastructure Development Fund (AHIDF), Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Pradhan Mantri Mudra Yojana (PMMY), Stand Up India (SUPI), PM Vishwakarma etc.
- Launching KCC Scheme for Animal Husbandry & Fisheries
- Increase in the limit for collateral-free agriculture loans from Rs. 1 lakh to Rs. 1.6 lakh
- The limit of Mudra loans under the PMMY has been enhanced from the current Rs.10 lakh to Rs.20 lakh. A new category, Tarun Plus, has been introduced for loans above Rs. 10 lakh and up to Rs. 20 lakh, specifically for entrepreneurs who have availed and successfully repaid previous loans under the Tarun category. Guarantee coverage for PMMY loans up to Rs. 20 lakh will be provided under the Credit Guarantee Fund for Micro Units (CGFMU).
- Periodic Financial Literacy & awareness camps by banks
- Provision of Credit Guarantee coverage and interest subsidy on loans sanctioned under various Government schemes
- Expansion of bank branch network and banking outlets
- Expanding the network of Business Correspondents

(c) The number of applications received and rejected for different loan schemes is not maintained centrally. The sanction data for some of the major credit schemes is placed at **Annexure**.

(d) The Government has taken several measures in order to simplify the loan application process and ensure the timely disbursement of loans. Portals like Jan Samarth has been created with 15 credit linked schemes (including KCC) where the applicant can have the self-journey or assisted journey for applying specified loans. Department of Financial Services also monitors scheme specific pendency from the data available on the Jan Samarth portal. Many banks are in the process of streamlining the entire process of loan sanction through end to end digitization.

\*\*\*\*\*

**Annexure for Rajya Sabha Unstarred Question 1692 part (c) of “Obstacles in obtaining loans in rural areas” due for answer on 10.12.2024**

**Sanction data, year-wise, for Major Credit Schemes**

Name of Scheme	FY 2021-22		FY 2022-23		FY 2023-24		FY 2024-25	
	No. of accounts	Sanctioned Amount	No. of accounts	Sanctioned Amount	No. of accounts	Sanctioned Amount	No. of accounts	Sanctioned Amount
Kisan Credit Card (Cumulative Out Standing)	7.13 crore	Rs. 9.37 lakh crore	7.34 crore	Rs.8.85 lakh crore	7.75 crore	Rs. 9.82 lakh crore	7.72 crore#	9.99 lakh crore#
Pradhan Mantri Mudra Yojana	5.37 crore	Rs.3.39 lakh crore	6.23crore	Rs.4.56 lakh crore	6.67 crore	Rs. 5.41 lakh crore	2.46 crore*	Rs 2.39 lakh crore*
Stand Up India	21,714	Rs.4,500 crore	47,977	Rs.8,944 crore	41,436	Rs. 8,896 crore	23,526*	Rs 5,254 crore*
PM Vishwakarma	Sanctions under the Scheme started from April 2024						2,02,631 *	Rs 1751.20 crore*

\*Data as on 31.10.2024

# Data as on 30.09.2024

\*\*\*\*\*