

**Government of India
Department of Financial Services
Ministry of finance
LOK SABHA
STARRED QUESTION NO. *274**

TO BE ANSWERED ON THE 5th January, 2018/ Pausha 15, 1939 (SAKA)

Credit/Loan Facilities to SCs/STs

QUESTION

†*274. SHRI RATTAN LAL KATARIA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India/ Public Sector Banks (PSBs)/financial institutions provide any credit/loan facilities to the people belonging to Scheduled Castes (SCs)/Scheduled Tribes (STs) for their socio-economic development and if so, the details thereof;
- (b) the procedure adopted by the Government for the selection of SC/ST beneficiaries under different schemes;
- (c) the total amount earmarked and disbursed under the said schemes by the PSBs/financial institutions to SC/ST communities during the last three years, bank-wise;
- (d) the steps taken/being taken by the Government to ensure easy credit facility by PSBs/financial institutions to SCs/STs; and
- (e) the number of households brought above poverty line as a result of inclusive policies of the Government during the above period?

**ANSWER
(FINANCE MINISTER)
(ARUN JAITLEY)**

(a) to (e) : A statement is laid on the table of House

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No. *274 to be answered on 05.01.2018 regarding Special Credit/Loan Facility to SCs/STs by SHRI RATTAN LAL KATARIA

(a) to (e) : In terms of Reserve Bank's extant guidelines on lending to priority sector, a target of 40 per cent of Adjusted Net Bank Credit (ANBC) or Credit Equivalent amount of Off-Balance Sheet Exposures (OBE), whichever is higher, as on March 31 of the previous year, has been mandated for lending to the priority sector by domestic scheduled commercial banks and foreign banks with 20 and above branches. Within this, a sub-target of 10 per cent of ANBC or Credit Equivalent amount of OBE, whichever is higher, as on March 31 of the previous year, has been set for lending to weaker sections which includes, among others, persons from SCs/ STs.

RBI has issued standing instructions to banks in the form of Master Circular - Credit facilities to Scheduled Castes (SCs) & Scheduled Tribes (STs) which is updated every year (latest being July 1, 2017) to give special emphasis to the welfare of the scheduled castes and scheduled tribes and take measures to step up their advances to SCs / STs which, inter-alia, includes:

- At the block level a certain weightage is to be given to scheduled castes / scheduled tribes in the planning process.
- Credit planning should be weighted in favour of SCs/STs. Loan proposals of these communities should be considered sympathetically and expeditiously.
- Banks should not insist on deposits while considering loan applications under Government sponsored poverty alleviation schemes / self-employment programmes from borrowers belonging to SCs / STs.
- If applications in respect of SCs / STs are to be rejected, it should be done at the next higher level instead of at the branch level. Further, reasons for rejection of applications should be clearly indicated.

There are several centrally sponsored schemes and other measures under which credit is provided by banks and subsidy is received through Government Agencies. Credit flow under these schemes is monitored by RBI. Under each of these, there is a significant reservation / relaxation for the members of the SC / ST communities. These measures, inter-alia, include:

- **Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM):** Under the Ministry of Rural Development, Government of India has specified that 50% of the beneficiaries under the scheme would be SC/STs.

- **Deendayal Antyodaya Yojana - National Urban Livelihoods Mission (DAY-NULM):** under the Ministry of Housing and Urban Poverty Alleviation (Mo HUPA), Government of India, has specified that advances to SCs / STs would be extended to the extent of their strength in the local population.
- **Differential Rate of Interest (DRI) Scheme:** under the DRI Scheme, banks provide finance up to ₹15,000/- at a concessional rate of interest of 4 percent per annum to the weaker sections of the community for engaging in productive and gainful activities. Banks have been advised to grant to eligible borrowers belonging to SCs / STs such advances to the extent of not less than 2/5th (40 percent) of total DRI advances. Members of SCs / STs satisfying the income criteria of the scheme can also avail of housing loan up to ₹.20,000/- per beneficiary over and above the individual loan of ₹.15,000/- available under the scheme.

Further, the National Scheduled Castes Finance & Development Corporation (NSCFDC) National Scheduled Tribes Finance & Development Corporation (NSTFDC) functioning under aegis of Ministry of Social Justice & Empowerment and Ministry of Tribal Affairs also provide concessional Credit facilities to SCs & STs. Every year, (NSCFDC) notionally allocates its available resources to the State Channelizing Agencies (SCAs), in proportion to the Scheduled Caste population of the State/UT w.r.t. total Scheduled Caste population of the country.

The following schemes of the Government also facilitate credit flow to SC/ST entrepreneurs:

- **Stand Up India scheme:** Government of India launched this scheme in April, 2016 with the objective to promote entrepreneurship amongst women, SC & ST category. The Scheme facilitates bank loans between Rs.10 lakh and Rs.1 crore to at least one Scheduled Caste/ Scheduled Tribe borrower and at least one Woman borrower per bank branch for setting up Greenfield enterprises. 6589 SC and 1988 ST beneficiaries has been financed as on 31.12.2017.
- **Credit Enhancement Guarantee Scheme for the Scheduled Castes (SCs)-** A sum of Rs. 200 crore has been allocated towards credit enhancement facility for young and start-up entrepreneurs, belonging to Scheduled Castes with the objective to promote entrepreneurship amongst the Scheduled Castes, facilitate economic development of SC entrepreneurs and enhance direct and indirect employment generation for SC population of India.

- **Pradhan Mantri Mudra Yojana (PMMY)** : With a view to 'Fund the Unfunded' segment of society and to bring them under formal credit system through Banks, NBFCs, Pradhan Mantri Mudra Yojana (PMMY) was launched on 08 April 2015. PMMY focus micro enterprises loans upto Rs. 50,000/- under 'Shishu' category, loans from Rs. 50,001 to Rs. 5 lakhs under 'Kishore' category and loans from Rs. 5 lakhs to Rs. 10 lakhs under 'Tarun' category. Under PMMY, 6137017 No. of SC & ST beneficiaries were covered till 30.09.2017 for which Rs 18942 Crore were disbursed.

Total amount of Loans disbursed by Public Sector Banks (PSBs) to SC/ST communities during the last three years, bank-wise is placed at **Annexure –I**

The poverty ratio data for SCs/STs is given below:

Social Group	Rural		Urban	
	2004-05	2011-12	2004-05	2011-12
SCs	53.53	31.50	40.56	21.70
STs	62.28	45.30	35.52	24.10
Total	41.79	25.40	25.68	13.70

Source: NITI Aayog

The data above indicates reduction in number of SCs/STs living Below the Poverty Line.

**Annexure referred to reply of part (a) to (e) Lok Sabha Starred Question No. 274 to be answered on 5th January 2018
regarding Special Credit /Loan Facilities to SCs/STs**

Total amount of loans disbursed by Public Sector Banks to SC/ST communities during the last three years						
(No. of Accounts in absolute terms; Amount in Rupees thousands)						
Bank Name	2015		2016		2017	
	No of A/C	Amount	No of A/C	Amount	No of A/C	Amount
State Bank of Bikaner & Jaipur	70282	10739741	178257	24983168	157669	23909608
State Bank of Hyderabad	12997	1776037	18932	3024073	31467	4331052
State Bank of India	66207	96509579	581510	19506747	698684	41616042
State Bank of Mysore	5898	1233219	5319	845052	6107	1659892
State Bank of Patiala	41755	2329108	18842	1704166	24808	3207795
State Bank of Travancore	232459	23805165	102749	19860114	192197	30255092
SBI and its Associates	429598	136392849	905609	69923320	1110932	104979482
Allahabad Bank	41832	4493018	117205	13642508	135238	17050493
Andhra Bank	278053	35132127	148862	15890441	143778	13698221
Bank of Baroda	80646	14083686	91815	15664587	137615	17949778
Bank of India	194657	18917156	194573	19227563	178256	21387
Bank of Maharashtra	15001	4762773	59193	8101603	58781	8209446
BHARATIYA MAHILA BANK LTD.	0	0	340	30820	0	0
Canara Bank	347238	33301738	530659	53746645	294658	35021131
Central Bank of India	365028	70857829	205045	25100768	209156	24313020
Corporation Bank	36117	5702303	17021	2405705	42708	12869173
Dena Bank	26131	4621881	33989	6765847	26241	5692020
IDBI Bank Ltd.	6548	1935038	63046	5453642	102444	7731799
Indian Bank	120430	10411438	10152	705292	124117	10948263
Indian Overseas Bank	147289	49903858	114804	44677121	244704	56487927
Oriental Bank of Commerce	66214	36325856	61749	14836523	50807	42684685
Punjab and Sind Bank	5888	861795	3553	675460	1969	624212
Punjab National Bank	236491	29719517	233722	32038259	178977	32363779
Syndicate Bank	146026	14615040	137463	16153528	134662	67412763
UCO Bank	43777	5485022	43949	5547265	41631	5122529
Union Bank of India	81476	25240671	114992	11365774	100457	12368908
United Bank of India	58622	5351473	52791	11387438	51447	6873455
Vijaya Bank	29916	8880375	38045	6548847	64099	12431116
Nationalised Banks	2327380	380602594	2272968	309965636	2321745	389874104
Grand Total	2756978	516995443	3178577	379888956	3432677	494853586