

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO. 1989

To be answered on the 14th March 2022/ Phalgun 23, 1943 (Saka)

Funds to PSBs

1989. SHRI GNANATHIRAVIAM S.:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that the Government has allotted more funds to Public Sector Banks (PSBs) to lend money to the priority sectors and also for industrial development of the country and if so, the details thereof; and
- (b) whether the banks have achieved the target of financing private sector as per the directions of Government and if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(DR. BHAGWAT KARAD)

(a): The Government does not allot funds to PSBs for specifically lending to priority sectors and/or for industrial development. Lending to these sectors is funded by the banks as per their Asset-Liability Management policy framed within RBI guidelines.

(b): The Government does not give any directions / fix targets for financing private sector, and the banks are guided by their own Board-approved loan policy framed within RBI guidelines for the same. Achievement of these targets is also monitored by the respective bank Boards.
