

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**LOK SABHA**

**STARRED QUESTION NO. \*181**

**ANSWERED ON MONDAY, 05/08/2024/ SHRAVANA 14, 1946 (SAKA)**

**DIFFICULTY IN GETTING LOANS IN RURAL AREAS**

\*181. SHRI RAMPRIT MANDAL:

Will the Minister of **FINANCE** be pleased to state:

- (a) whether the Government is aware of the difficulties being faced by the people, particularly in the rural areas in getting loans under major schemes due to procedural issues and reluctance of banks in providing loans;
- (b) if so, the details thereof along with the steps taken by the 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;
- (d) whether the 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;
- (e) if so, the details thereof including outcome of such studies and surveys; and
- (f) the measures proposed by the Government to simplify the loan application process and to ensure timely disbursement of loans in the rural areas to boost economic development?

**ANSWER**

**THE FINANCE MINISTER**

**(Smt. Nirmala Sitharaman)**

(a) to (f): A statement is laid on the Table of the House

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**STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO.\*181  
(1<sup>ST</sup> POSITION) FOR ANSWER ON 05.08.2024 BY SHRI RAMPRIT MANDAL ON  
DIFFICULTY IN GETTING LOANS IN RURAL AREAS**

(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
- 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 the major credit schemes is placed at Annexure.

(d) to (f): The Government has taken several measures in order to simplify the loan application process and ensure the timely disbursal 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.

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**Annexure for Lok Sabha Starred Question No. \*181 “Difficulty in Getting Loans in Rural Areas” due for answer on 05.08.2024**

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

Name of Scheme	FY 2021-22		FY 2022-23		FY 2023-24	
	No. of accounts	Sanctioned Amount	No. of accounts	Sanctioned Amount	No. of accounts	Sanctioned Amount
Kisan Credit Card ( Cumulative O/s)	7.13 crore	Rs. 9.37 lakh crore	7.34 crore	Rs.8.85 lakh crore	7.75 crore	Rs. 9.82 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
Stand Up India	21,714	Rs.4,500 crore	47,977	Rs.8,944 crore	41,436	Rs. 8,896 crore
Agricultural Infra Fund	7,438	Rs.5410 crore	16,387	Rs.14,506 crore	61,584	Rs. 40,082 crore
Animal Husbandry Infrastructure Development Fund	95	Rs.2372 crore	164	Rs.1,823 crore	363	Rs. 6,893 crore
Pradhan Mantri Formalisation of Micro Food Processing Enterprises	2,522	Rs.232 crore	29,563	Rs.1,958 crore	86,342	Rs. 6,949 crore
PM Vishwakarma (as on 31.07.2024)	Sanctions under the Scheme started from April 2024				57,451	Rs. 561 crore

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